
A BILL FOR AN ACT

RELATING TO INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that homeowners residing
2 in lava-flow hazard zones 1 and 2 face unique challenges caused
3 by the inherent volcanic hazards associated with their
4 properties. There have been drastic increases for home
5 insurance premiums for property owners in these zones, with some
6 residents saying their rates rose more than four hundred per
7 cent.

8 The legislature further finds that insurance companies are
9 prioritizing profits over service and have decided to leave the
10 market or not insure certain zip codes due to the risks
11 associated with these lava-flow hazard zones. The only choice
12 for homeowner's insurance for many residents in the lava-flow
13 hazard zones is the Hawaii Property Insurance Association, a
14 state-run, last resort option with higher premiums. As a
15 result, many residents are concerned they may be priced out of
16 their homes.



1 The purpose of this Act is to increase access to insurance
2 for all properties in the State by mandating private insurance
3 companies that maintain policies in that State to also issue
4 policies for properties in lava-flow hazard zones.

5 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
6 amended by adding a new section to article 10 to be
7 appropriately designated and to read as follows:

8 "§431:10- Prohibitions against issuance, cancellation,
9 or failure to renew based on lava-flow hazard zone. (a) No
10 insurer offering property insurance in the State shall refuse to
11 issue or fail to renew a homeowner's insurance policy solely on
12 the basis that the applicant's or insured's real property is
13 located in a lava-flow hazard zone.

14 (b) Nothing in this section shall prohibit an insurer from
15 setting property insurance rates based on risk associated with
16 properties located in a lava-flow hazard zone.

17 (c) For purposes of this section, "lava-flow hazard zone"
18 means land categories based on the potential hazard that lava
19 will flow in a given area, as determined by the latest version
20 of the United States Geological Survey Miscellaneous Field
21 Studies Map MF-2193, or its successor."



1 SECTION 3. New statutory material is underscored.

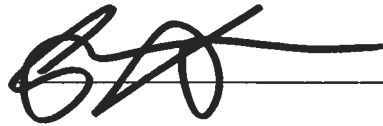
2 SECTION 4. This Act shall take effect upon its approval,

3 and shall apply to any policy of property insurance issued or

4 renewed in this State on or after January 1, 2025.

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INTRODUCED BY:

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JAN 19 2024



H.B. NO. 2052

Report Title:

Insurance; Property Insurance; Lava-Flow Hazard Zones

Description:

Prohibits insurers offering property insurance in the State from refusing to issue or failing to renew a homeowner's insurance policy solely on the basis that the applicant's or insured's real property is located in a lava-flow hazard zone.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

