

Aloha honorable legislators,

As a condo owner and single parent struggling to stay afloat in this economy built for millionaires, I vehemently support SB 805's initiative to stabilize the high-rise condominium insurance market through the creation of a mutual insurance entity. This crucial measure directly addresses the escalating challenges and financial strain faced by myself and my neighbors due to limited insurance availability and rising costs.

To ensure the effectiveness and transparency of this program, it is imperative to integrate and refine it alongside other significant legislative measures such as SB 803, which mandates detailed disclosures regarding insurance premium changes. Furthermore, lessons drawn from SB 706, which demands wider insurance coverage inclusivity, should be merged into this framework to combat the monopolistic practices prevalent in the industry.

Your committee would serve the public best by synthesizing these various proposals into a single, functional piece of legislation that not only enhances insurance market stability but also ensures fairness, accountability, and comprehensive access to information for all property owners. I urge lawmakers to meticulously evaluate, refine, and consolidate these proposals into one cohesive and functional bill that addresses the root issues and delivers a robust solution for the long-term benefit of Hawai'i's condominium owners and residents.

Furthermore, considering recent drastic increases in condominium insurance rates, with some owners experiencing premium hikes as high as 300% to 1,000% in a single year, the need for this bill becomes even more critical (ref 1.). This surge underlines a critical need for legislative action to provide oversight and introduce measures that ensure affordability and accessibility in the insurance sector. The integration of electronic notifications, as suggested for SB 803, is essential in ensuring all condominium owners, especially those who are absentee, are well-informed and can respond effectively to these changes.

I urge all lawmakers to set aside partisan differences and recognize the profound impact their decisions have on the lives of the hundreds of thousands of residents living in condominiums across Hawai'i. These individuals, both families striving to make ends meet and retired kupuna, are counting on you to restore fairness and balance to an industry that has long exploited its position.

The so-called 'condo industry' has profited immensely at the expense of hardworking families and has taken advantage of absentee owners who are often unaware of the financial burdens their investments impose on local communities. It is imperative that you act now to curb the unchecked rise in rents and HOA fees, ensuring that our residents are not unduly burdened by industry practices that prioritize profit over people. Your decisive action is needed to protect the interests and livelihoods of your constituents.

Mahalo,

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ref.1: Civil Beat. (2024). Condo Owners Are Starting To Feel The Pain From Rising Insurance Costs.
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