

[In Support of Insurance Reform in Hawaii](#)

United Policyholders is working part to advance [Insurance Reform in Hawaii](#). Below is the recent testimony from UP's Roadmap to Recovery Liaison on Maui:

Aloha Chair and Members of the Committee,

My name is Sherry Peterson, and I am here in strong support of SB 2964.

I am working with Maui wildfire survivors as an Equal Justice Fellow with United Policyholders. What I saw immediately—and see repeatedly—is this: Underinsurance is widespread.

Not because homeowners are making informed decisions to underinsure- but because many are not given clear, current information about what it will actually cost to rebuild when they buy insurance.

There are policyholders in Lahaina who bought their policies years ago, trusted they were protected, and only after losing everything learned they were hundreds of thousands of dollars short.

That is the problem this bill addresses.

You've heard concerns about cost and complexity. The cost of underinsurance already exists—it is simply shifted.

When homeowners are underinsured, the gap is picked up by federal aid, state and county resources, and nonprofits. The real question is not whether there is a cost. The question is who pays it.

This bill does not force anyone to buy more insurance. It simply requires insurers to provide homeowners with better information and the opportunity to make informed decisions.

That is not overregulation. That is transparency.



Respectfully, we do not need more study to know this is a real problem we have seen in California, Oregon, Colorado, and now Hawai'i and Lahaina are living it. Delaying to further study means repeating the same outcome in the next disaster.

The recent Kona storm reminds us there will be another disaster.

Last, there is concern about creating a "false sense of security." The real false sense of security is silence— a policyholder paying premiums for years believing they are fully covered, when they are not.

This bill is a balanced, practical solution:

- Helping homeowners make informed choices
- Requiring insurers to better insure to value
- And reducing long-term reliance on public funds

I respectfully urge this Committee to pass SB 2964.

Mahalo for the opportunity to testify.

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