

The homeowner's insurance policy in Hawaii encompasses a range of coverage types, including Coverage A for the main dwelling, Coverage B for other structures, Coverage C for personal property, Coverage D for additional living expenses, Coverage E for personal liability, and Coverage F for medical payments to others injured on the property. The policy generally covers damages from perils such as fire and explosion, while explicitly excluding events like floods, earthquakes, and war. Although homeowner's insurance is not legally mandated in Hawaii, lenders may require it during the mortgage period. Insurers typically necessitate that homes be insured for at least 80% of their replacement value, which refers to the cost of replacing or repairing the home without accounting for depreciation. The actual cash value (ACV) is defined as the replacement cost minus depreciation, commonly applied to personal property coverage. The policy also provides liability protection against claims for bodily injury or property damage resulting from the insured's negligence. Premiums are determined by various factors, including the type of construction, loss prevention devices, public protection class, deductible levels, and coverage amounts. The Public Protection Classification (PPC) evaluates a community's fire protection capabilities, which can influence insurance rates; properties located further from fire stations and hydrants may incur higher premiums due to a less favorable PPC rating. Homeowners are encouraged to compare policies based on coverage limits and deductibles to ensure they meet their needs. Additionally, hurricane insurance can be added to standard homeowner's policies to cover damages specifically caused by hurricanes. The Hawaii Insurance Division provides a sample premium comparison for licensed insurance companies to assist consumers in understanding their options, with premiums affected by coverage limits, deductible levels, loss prevention devices, and previous claims. Sample annual premiums for homeowners insurance, including hurricane coverage, are provided based on specific property assumptions, such as year built and elevation, with rates effective as of December 1, 2016. Consumers are advised to consult their insurance agents for tailored quotes that reflect their property attributes and desired coverage. The document underscores the importance of reviewing specific policy provisions with an insurance agent to ensure adequate coverage.