
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Chapter 431:10D, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§431:10D- Notice; business entity as beneficiary. (a)

5 If a corporation, partnership, limited liability company,
6 or a limited liability partnership, contracts for life insurance
7 where the insurable interest on the insured is based on §431:10-
8 202(2) or (3), the business entity or the insurance company
9 shall give notice to the insured when:

10 (1) Coverage is being obtained on the life of the
11 insured; and

12 (2) Any change is made to the policy regarding
13 beneficiaries, amount of insurance payable to the
14 beneficiary, term of the policy, or cancellation
15 of the policy.

16 (b) Notice under this section shall be given even after
17 the insured has left the employment of the business entity."

18 SECTION 2. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: *Bill Stonebraker*

JAN 25 2006



HB 2893

Report Title:

Insurance

Description:

Mandates notice to insureds when corporations purchase life insurance policies covering them.

HB HMIA 82-2006

