

JAN 22 2010

S.B. NO. 2364

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# A BILL FOR AN ACT

RELATING TO INSURANCE FRAUD.

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

1           SECTION 1. The purpose of this Act is to incorporate  
2 selected provisions from the National Conference of Insurance  
3 Legislators' model insurance fraud act into current law for the  
4 purpose of strengthening existing insurance fraud provisions.

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

8           "§431:2- Cooperation with insurance fraud  
9 investigations. (a) Any person or licensee that has a  
10 reasonable belief that a violation under section 431:2-403 is  
11 being or will be committed shall furnish and disclose any  
12 information to the branch for the purposes of detecting,  
13 prosecuting, or preventing insurance fraud.

14           (b) When the branch requests information from a person or  
15 licensee for the purpose of detecting, preventing, or  
16 prosecuting insurance fraud, the person or licensee shall take  
17 all reasonable actions to provide the information requested,  
18 subject to any privilege protecting the information.



1        (c) Failure to cooperate pursuant to subsections (a) and  
 2        (b) shall bar eligibility from any proceeds or restitution,  
 3        pursuant to section 431:2-404, resulting from branch  
 4        investigations and prosecutions.

5        (d) No person or licensee furnishing or disclosing  
 6        information under this section shall be subject to civil  
 7        liability arising from the actions to furnish or disclose  
 8        requested information."

9        SECTION 3. New statutory material is underscored.

10       SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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**Report Title:**

Insurance Fraud; Cooperation

**Description:**

Requires individuals, entities, and insurers to cooperate with insurance fraud investigations. Bars restitution for failure to cooperate.

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

