
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

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

4 "§431:10C- Replacing motor vehicle insurance policy
5 through an insurer's affiliate or subsidiary. An insurer shall
6 be exempt from provisions governing policy cancellations or
7 nonrenewals in sections 431:10C-111, 431:10C-111.5, and
8 431:10C-112 if:

- 9 (1) The insurer offers to replace the insured's policy
10 through the insurer's affiliate or subsidiary;
11 (2) The replacement policy is effective upon the
12 expiration of the existing policy;
13 (3) The replacement policy provides the same or better
14 coverage, terms, and conditions as the existing policy
15 at a lower premium than the existing policy;
16 (4) The insurer provides at least thirty days written
17 notice of the prospective replacement to the insured;



1 provided that the insured may waive notice pursuant to
2 this paragraph; and
3 (5) The insured accepts the replacement policy."

4 SECTION 2. New statutory material is underscored.

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

6



Report Title:

Motor Vehicle Insurance; Cancellation

Description:

Exempts an insurer from prohibitions on cancellation or nonrenewal of a motor vehicle insurance policy; provided that the insurer offers a replacement policy that offers the same or better coverage, terms, or conditions at a lower price through an affiliate or subsidiary. (SD1)

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