

MAR 16 2011

SENATE RESOLUTION

REQUESTING COMMERCIAL GENERAL LIABILITY INSURERS TO SUBMIT
PREMIUM INFORMATION TO THE LEGISLATURE.

1 WHEREAS, the decision by the Hawaii Intermediate Court of
2 Appeals in *Group Builders, Inc., v. Admiral Insurance Company*,
3 231 P.3d 67(2010), held that construction defect claims are not
4 "occurrences" under contractors' general liability policies, and
5 therefore such policies do not cover bodily injury or property
6 damage arising from construction defects; and

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8 WHEREAS, insurance companies doing business in Hawaii had
9 sold contractors' general liability insurance policies to
10 contractors, representing that their insurance policies would
11 cover claims for bodily injury and property damage arising from
12 construction defects; and

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14 WHEREAS, contractors and developers who had purchased
15 commercial general liability policies to cover claims for bodily
16 injury and property damage arising from construction defects had
17 the expectation that insurance carriers would honor their
18 contractual obligations; and

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20 WHEREAS, if the insurance coverage is not restored,
21 numerous contractors, subcontractors, and others could risk
22 bankruptcy if they are unable to pay ancillary damages, thereby
23 leaving consumers without any payment for claims; now,
24 therefore,

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26 BE IT RESOLVED by the Senate of the Twenty-sixth
27 Legislature of the State of Hawaii, Regular Session of 2011,
28 that every domestic and foreign insurance company that has ever
29 issued commercial general liability policies in the State is
30 requested to submit information to the Legislature on the total
31 premiums received for their commercial general liability
32 policies during the past ten years; and

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34 BE IT FURTHER RESOLVED that these domestic or foreign
35 insurers are requested to submit this information to the



S.R. NO. 80

1 Legislature not later than May 3, 2011, of the Regular Session
2 of 2011; and

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4 BE IT FURTHER RESOLVED that certified copies of this
5 Resolution be transmitted to the State Insurance Commissioner,
6 the Executive Director of the Hawaii Insurers Council, the
7 President of the General Contractors Association of Hawaii, and
8 the President of the Building Industry Association of Hawaii.

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OFFERED BY: Clarence Driskill

