NEIL ABERCROMBIE
GOVERNOR

June 25, 2013   **GOV. MSG. NO. 1296**

The Honorable Donna Mercado Kim,
  President
  and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
  Speaker and Members of the
  House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 25, 2013, the following bill was signed into law:

HB999 HD2 SD1   RELATING TO INSURANCE
                       ACT 193 (13)

Sincerely,

NEIL ABERCROMBIE
Governor, State of Hawaii

Approved by the Governor
JUN 2 5 2013
on

HOUSE OF REPRESENTATIVES
TWENTY-SEVENTH LEGISLATURE, 2013
STATE OF HAWAII

ACT 193
H.B. NO. 999
H.D. 2
S.D. 1

A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1   SECTION 1. Section 431:19-111, Hawaii Revised Statutes, is

2   amended to read as follows:

3   "§431:19-111 **Reinsurance.** (a) Any captive insurance

4   company may provide reinsurance on risks ceded by any other

5   insurer only upon approval of the reinsurance agreement by the

6   commissioner.

7   (b) Any captive insurance company may take credit for

8   reserves on risks ceded to a reinsurer; provided that no captive

9   insurance company shall cede risks without the approval of the

10   commissioner.

11   (c) In the case of a risk retention captive insurance

12   company, a risk retention captive insurance company:

13   (1) Shall qualify for credit for reinsurance on risks

14   ceded to a reinsurer if the reinsurer is in compliance

15   with article 4A; or

16   (2) May qualify for credit for reinsurance on risks ceded

17   to a reinsurer, if the reinsurer meets the reinsurance

18   guidelines for risk retention captive insurance

H.B. NO. ₉₉₉

1   companies as adopted by the commissioner pursuant to

2   chapter 91."

3   SECTION 2. New statutory material is underscored.

4   SECTION 3. This Act shall take effect on July 1, 2013.

APPROVED this 2 5 day of   JUN   , 2013

GOVERNOR OF THE STATE OF HAWAII

2013-1967 HB999 SD1 SMA.doc