
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Section 431:21-119, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§431:21-119 Issuance of new policies; removal of
4 moratorium. If residential property insurance is unavailable,
5 as determined by the commissioner, due to a moratorium on the
6 issuance of policies on property situated in lava zones where
7 the mayor of the county of Hawaii has issued a proclamation
8 declaring a state of emergency exists due to the threat of
9 imminent disaster from a lava flow, the association shall remove
10 its moratorium. Upon the moratorium's removal, the association
11 shall offer new policies and may provide a waiting period of no
12 longer than six months for the policy coverage to take effect;
13 provided that the residential property in the lava zone does not
14 have current insurance."

15 SECTION 2. New statutory material is underscored.

H.B. NO. 2322

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

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INTRODUCED BY:

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BY REQUEST

JAN 25 2016

H.B. NO. 2322

Report Title:

Property Insurance; Hawaii Property Insurance Association;
Policies; Non-renewal; Lava Zone; State of Emergency; Moratorium

Description:

Requires the Insurance Commissioner to determine whether residential property insurance is unavailable due to a moratorium on insurance policies in a lava zone during a state of emergency due to lava flow.

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

JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO INSURANCE.

PURPOSE: To require the Insurance Commissioner to determine whether residential property insurance is unavailable due to a moratorium on insurance policies in a lava zone during a state of emergency due to lava flow.

MEANS: Amend section 431:21-119, Hawaii Revised Statutes.

JUSTIFICATION: Whether residential property insurance is or is not available due to a moratorium can be unclear and should therefore be determined by the Insurance Commissioner for efficiency and clarification purposes.

Impact on the public: None.

Impact on the department and other agencies: None.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: CCA-106.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.