
A BILL FOR AN ACT

RELATING TO PROPERTY INSURANCE.

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

1 SECTION 1. Section 431:21-105, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) In addition to any other powers allowed by law, the
4 association may:

5 (1) Add additional insurance coverages with the approval
6 of the commissioner, including coverage for commercial
7 risks up to the limits of coverage for residential
8 risks as set forth in the plan of operation;

9 (2) Employ or retain persons as are necessary to perform
10 the duties of the association;

11 (3) Contract with a member insurer to perform the duties
12 of the association;

13 (4) Sue or be sued;

14 (5) Borrow funds necessary to effectuate the purposes of
15 this article in accord with the plan of operation;

16 (6) If there is not then in effect a valid policy of
17 hurricane property insurance issued by the Hawaii



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1 of any member insurer if the assessment would cause
 2 the member insurer's financial statement to reflect
 3 amounts of capital or surplus less than the minimum
 4 amounts required for a certificate of authority by any
 5 jurisdiction in which the member insurer is authorized
 6 to transact business;

7 ~~[-(7)]~~ (8) Devise a method to give credit to member insurers
 8 for homeowners and fire insurance policies
 9 individually underwritten on risks located in the area
 10 designated for coverage by the association;

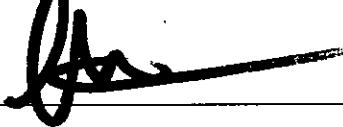
11 ~~[-(8)]~~ (9) Negotiate and become a party to contracts as are
 12 necessary to carry out the purposes of this article;
 13 and

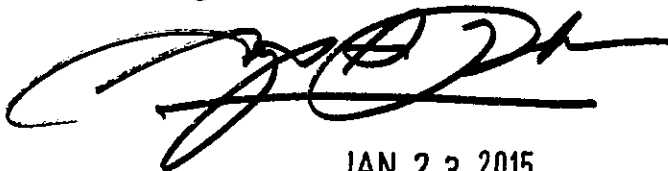
14 ~~[-(9)]~~ (10) Perform all other acts as are necessary or proper
 15 to effectuate the purpose of this article."

16 SECTION 2. Statutory material to be repealed is bracketed
 17 and stricken. New statutory material is underscored.

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

19

INTRODUCED BY: 



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Report Title:

Hawaii Hurricane Relief Fund; Hawaii Property Insurance Association

Description:

Authorizes the Hawaii property insurance association to spend funds in the Hawaii hurricane relief fund to pay for extraordinary losses caused by the flow of lava or other volcanic activity.

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