

JAN 23 2015

A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Chapter 431, article 10C, Hawaii Revised
2 Statutes, is amended by adding a new section to part III to be
3 appropriately designated and to read as follows:
4 "§431:10C- Prompt payment of uninsured and underinsured
5 motorist claims. In a claim that is accepted for coverage under
6 uninsured motorist coverage or underinsured motorist coverage,
7 the insurer shall pay to the claimant an amount the insurer
8 deems reasonable, if any, within thirty days of a demand for
9 payment of the claim. If after the payment, the value of the
10 claim is still in dispute between the insurer and the claimant,
11 the matter may be resolved according to the provisions in the
12 motor vehicle insurance policy; provided that any undisputed
13 amount that is paid to the claimant shall be disclosed to the
14 arbitrator or judge at the commencement of any litigation, and
15 the amount paid shall be deducted from the amount of any
16 judgment or award. This section shall not affect any recourse
17 the claimant may have against the insurer."



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1 SECTION 2. This Act does not affect rights and duties that
 2 matured, penalties that were incurred, and proceedings that were
 3 begun before its effective date.

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: 

~~B~~
~~A.C. ...~~
 Rosalyn ...
 Paul E ...



S.B. NO. 765

Report Title:

Uninsured Motorist; Underinsured Motorist; Prompt Claims Payment

Description:

Requires an insurer in a claim under uninsured or underinsured motorist coverage to pay to the claimant an amount the insurer deems reasonable within thirty days of a demand for payment of the claim. Requires any undisputed amount paid to a claimant to be disclosed to the arbitrator or judge and deducted from the amount of any judgment or award.

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