
A BILL FOR AN ACT

RELATING TO TITLE 24, HAWAII REVISED STATUTES.

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

1 SECTION 1. Section 432:1-407, Hawaii Revised Statutes, is
2 amended by amending subsection (g) to read as follows:

3 "(g) Each domestic mutual benefit society shall prepare
4 and submit for review by the commissioner on or before the
5 forty-fifth day ~~[of]~~ after each ~~[quarter,]~~ of the first three
6 calendar quarters, and for the fourth calendar quarter ending
7 December 31, on or before the next March 1, a copy of its
8 quarterly net solvency report verified by at least two principal
9 officers. The commissioner may prescribe the forms on which the
10 reports are to be prepared. Each domestic mutual benefit
11 society shall maintain a copy of its current net solvency report
12 on the premises of its primary place of business. The
13 commissioner may order an examination, subject to article 2 of
14 chapter 431, to determine whether a domestic mutual benefit
15 society is in compliance with this section. Any domestic mutual
16 benefit society that fails or refuses to prepare or ~~[produce]~~
17 submit for review the quarterly net solvency report as required

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1 by this subsection shall be liable for a penalty in an amount
2 not less than \$100 and not more than \$500 per day."

3 SECTION 2. Section 432D-8, Hawaii Revised Statutes, is
4 amended by amending subsection (g) to read as follows:

5 "(g) Each health maintenance organization shall prepare
6 and submit for review by the commissioner on or before the
7 forty-fifth day ~~[of]~~ after each ~~[quarter,]~~ of the first three
8 calendar quarters, and for the fourth calendar quarter ending
9 December 31, on or before the next March 1, a copy of its
10 quarterly net solvency report verified by at least two principal
11 officers. The commissioner may prescribe the forms on which the
12 reports are to be prepared. Every health maintenance
13 organization shall maintain a copy of its current net solvency
14 report on the premises of its primary place of business. The
15 commissioner may order an examination, subject to article 2 of
16 chapter 431, to determine whether a health maintenance
17 organization is in compliance with this section. Any health
18 maintenance organization that fails or refuses to prepare or
19 ~~[produce]~~ submit for review the quarterly net solvency report as
20 required by this subsection shall be liable for a penalty in an
21 amount not less than \$100 and not more than \$500 per day."

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SECTION 3. Section 432G-6, Hawaii Revised Statutes, is amended by amending subsections (g) and (h) to read as follows:

"(g) Each dental insurer shall prepare and submit for review by the commissioner on or before the forty-fifth day ~~[of]~~ after each [quarter,] of the first three calendar quarters, and for the fourth calendar quarter ending December 31, on or before the next March 1, a copy of its quarterly net solvency report verified by at least two principal officers. The commissioner may prescribe the forms on which the reports are to be prepared. Every dental insurer shall maintain a copy of its current net solvency report on the premises of its primary place of business.

(h) The commissioner may order an examination, subject to article 2 of chapter 431, to determine whether a dental insurer is in compliance with this section. Any dental insurer that fails or refuses to prepare or ~~[produce]~~ submit for review the quarterly net solvency report or any of the documents as required by this section shall be liable for a penalty pursuant to section 432G-4(c)."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

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1 SECTION 5. This Act, upon its approval, shall take effect
2 on October 1, 2025.

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INTRODUCED BY: Nedra K. Miller

5

BY REQUEST

JAN 21 2025

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Report Title:

Insurance; Net Solvency Report

Description:

Provides amendments to net solvency report filing requirements for mutual benefit societies, dental insurers, and health maintenance organizations. Effective 10/1/2025.

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 TITLE 24,
HAWAII REVISED STATUTES.

PURPOSE: To change the filing dates of quarterly net
solvency reports for mutual benefit
societies, health maintenance organizations,
and dental insurers so that the fourth
quarter filing deadline falls on March 1 of
the next year.

MEANS: Amend sections 432:1-407(g), 432D-8(g), and
432G-6(g) and (h), Hawaii Revised Statutes
(HRS).

JUSTIFICATION: Currently, fourth quarter net solvency
reports for mutual benefit societies, health
maintenance organizations are due on
February 14, while annual blank filings are
due March 1.

Impact on the public: Aligning the due
dates for fourth quarter net solvency
reports for mutual benefit societies, health
maintenance organizations, and dental
insurers with the due date for annual blank
filings will allow these entities, from whom
the public obtains coverage, to more
efficiently complete the relevant filings,
thereby reducing their compliance burden.

Impact on the department and other agencies:
This bill will allow the Department to more
efficiently regulate mutual benefit
societies, health maintenance organizations,
and dental insurers.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: CCA-106.

OTHER AFFECTED
AGENCIES:

None.

EFFECTIVE DATE:

October 1, 2025.