

ACT 233

H. B. NO. 1079

A Bill for an Act Relating to Advance Payment of Expenses in Personal Injury and Property Damage Cases.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. In any action brought to recover damages for personal injuries, wrongful death or property damage no payment made by the defendant or the defendant's insurance company to or for the plaintiff or any other person, hereinafter called an "advance payment", shall be construed as an admission of liability by any person. Except as provided in Section 2, evidence of such payment shall not be admissible during the trial for any purpose by either plaintiff or defendant.

SECTION 2. If in such action it is determined that plaintiff is entitled to recover, defendant may introduce evidence of any advance payment made, and the court shall reduce the award to the plaintiff to the extent that said award includes an amount paid by any such advance payment.

SECTION 3. If such action results in a final judgment for defendant, plaintiff, upon receipt of a written demand, shall refund to defendant or defendant's insurance company any advance payment made to or for him by defendant or defendant's insurance company.

SECTION 4. No advance payment made by an insurance company on behalf of an insured shall increase the limits of liability of the insurance company under any existing policy of insurance, and the amount of any advance payment made in respect to any claim shall be credited against any obligation of the insurance company in respect to said claim.

SECTION 5. This Act shall take effect on January 1, 1970.

(Approved July 14, 1969.)