

## ACT 43

H. B. NO. 187

A Bill for an Act Relating to Lowering the Age of Majority.

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

SECTION 1. Section 431-438, Hawaii Revised Statutes, is repealed.

SECTION 2. Section 431-463, Hawaii Revised Statutes, is amended to read:

**“Sec. 431-463 Form of policy.** (a) A policy of accident and sickness insurance shall neither be delivered nor issued for delivery to any person in this State unless:

- (1) The entire money and other considerations therefor are expressed therein; and
- (2) The time at which the insurance takes effect and terminates is expressed therein or determinable therefrom; and
- (3) It purports to insure only one person, except that a policy may insure, originally or by subsequent amendment, upon the application of an adult member of a family who shall be deemed the policyholder, any two or more eligible members of that family, including husband, wife, dependent children or any children under a specified age which shall not exceed seventeen years, and any other person dependent upon the policyholder; and
- (4) The style, arrangement, and overall appearance of the policy give no undue prominence to any portion of the text, and unless every printed portion of the text of the policy and of any endorsements or attached papers is plainly printed in light-faced type of a style in general use, the size of which shall be uniform and not less than ten-point with a lower case unspaced alphabet length not less than one hundred and twenty-point (the text shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description if any, and captions and subcaptions); and

- (5) The exceptions and reductions of indemnity are set forth in the policy and, except those which are set forth in sections 431-465 to 431-487, are printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as exceptions, or exceptions and reductions, provided that if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of the exception or reduction shall be included with the benefit provision to which it applies; and
- (6) Each policy form, including riders and endorsements, shall be identified by a form number in the lower left-hand corner of the first page thereof; and
- (7) It does not contain any provision purporting to make any portion of the charter, rules, constitution, or bylaws of the insurer a part of the policy unless such portion is set forth in full in the policy, except in the case of the incorporation of, or reference to, a statement of rates or classification of risks, or short-rate table filed with the insurance commissioner.

(b) If any policy is issued by an insurer domiciled in this State for delivery to a person residing in a territory, district, or another state of the United States, and if the official having responsibility for the administration of the insurance laws of such state, district, or territory shall have advised the commissioner that the policy is not subject to approval or disapproval by the official, the commissioner may by ruling require that the policy meet the standards set forth in subsection (a) of this section and in sections 431-464 to 431-487."

SECTION 3. Section 431-594, Hawaii Revised Statutes, is amended to read:

**"Sec. 431-594 Spouses and dependents of insured individuals.** (a) Any other provision herein to the contrary notwithstanding insurance under any group life insurance policy issued pursuant to groups provided in sections 431-572, 431-574, 431-575, 431-576, 431-577, 431-578, 431-579, and 431-580 may be extended to insure the spouse and dependent of the insured individual of such groups in amounts of insurance equivalent to the amount of coverage of the insured individual, provided that in the case of a dependent other than a spouse of the insured individual the amount of insurance for the dependent shall not be in excess of fifty per cent of the coverage of the insured individual or \$2,000 whichever is lower, and provided further that in the case of a dependent whose age at death is under six months, the amount shall not be in excess of \$100.

(b) A dependent shall be a child under eighteen years of age of the insured individual, or an insured individual's child under twenty-three years of age who is attending an educational institution and relying upon the insured individual for financial support, or any child of an insured individual regardless of age who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and is chiefly dependent upon the insured individual for support and maintenance. The premiums for the insurance of the spouse or dependent may be paid by the insured individual, by an employer

of the insured individual, or by the employer and the insured individual jointly, or by the policy holder of the group.

(c) For purposes of this section, the term 'individual' shall be deemed to include a person or a member of any group provided in sections 431-572, 431-574, 431-575, 431-576, 431-577, 431-578, 431-579, and 431-580."

SECTION 4. Section 434-11, Hawaii Revised Statutes, is amended to read:

**"Sec. 434-11 Qualifications for membership.** A society may admit to benefit membership any person not less than fifteen years of age, nearest birthday, who has furnished evidence of insurability acceptable to the society. Any such member who applies for additional benefits more than six months after becoming a benefit member shall furnish additional evidence of insurability acceptable to the society. Any person admitted prior to attaining the full age of eighteen years shall be bound by the terms of the application and certificate and by all the laws and rules of the society and shall be entitled to all the rights and privileges of membership therein to the same extent as though the age of majority has been attained at the time of application. A society may also admit general or social members who shall have no voice or vote in the management of its insurance affairs."

SECTION 5. Section 434-16, Hawaii Revised Statutes, is amended to read:

**"Sec. 434-16 Benefits on lives of children; designation of beneficiary.** (a) A society may provide for benefits on the lives of children under the minimum age for adult membership but not greater than eighteen years of age at time of application therefor, upon the application of some adult person, as its laws or rules may provide, which benefits shall be in accordance with section 434-15(a). A society may, at its option, organize and operate branches for such children. Membership and initiation in local lodges shall not be required of such children, nor shall they have a voice in the management of the society.

(b) A society may provide for the designation and changing of designation of beneficiaries in the certificates providing for such benefits and may provide in all other respects for the regulation, government, and control of such certificates, and all rights, obligations, and liabilities incident thereto and connected therewith."

SECTION 6. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.\*

SECTION 7. This Act shall take effect upon its approval.

(Approved May 4, 1973.)

\*Edited accordingly.