

ACT 21

S.B. NO. 1484

A Bill for an Act Relating to Insurance.

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

SECTION 1. Section 432:2-704, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Nothing contained in this article shall be so construed as to affect or apply to:

- (1) Grand or subordinate lodges of societies, orders, or associations now doing business in this State ~~[which]~~ that provide benefits exclusively through local or subordinate lodges;
- (2) Orders, societies, or associations ~~[which]~~ that admit to membership only persons engaged in one or more crafts or hazardous occupations, in the same or similar lines of business, insuring only their own members and their families, and the ladies’ societies or ladies’ auxiliaries to such orders, societies, or associations;
- (3) Domestic societies ~~[which]~~ that limit their membership to employees of a particular city or town, designated firm, business house or corporation ~~[which]~~ that provide for a death benefit of not more than \$400 or disability benefits of not more than \$350 to any person in any one year, or both; ~~[or]~~
- (4) Domestic societies or associations of a purely religious, charitable or benevolent description, which provide for a death benefit of not more than \$400 or for disability benefits of not more than \$350 to any one person in any one year, or both~~[-];~~ or
- (5) Any association, whether a fraternal benefit society or not; provided that:
 - (A) The association was organized before 1880;

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- (B) The association's membership consists of active, retired, or honorably discharged members of the armed forces or sea services of the United States, including officers or enlisted members and regular or reserve members; and
- (C) A principal purpose of the association is to provide insurance and other benefits to its members and their dependents or beneficiaries."

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 Statutory material to be repealed is bracketed and stricken.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

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

(Approved April 27, 2011.)