

ACT 193

H.B. NO. 999

A Bill for an Act Relating to Insurance.

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

SECTION 1. Section 431:19-111, Hawaii Revised Statutes, is amended to read as follows:

“§431:19-111 Reinsurance. (a) Any captive insurance company may provide reinsurance on risks ceded by any other insurer only upon approval of the reinsurance agreement by the commissioner.

(b) Any captive insurance company may take credit for reserves on risks ceded to a reinsurer; provided that no captive insurance company shall cede risks without the approval of the commissioner.

(c) In the case of a risk retention captive insurance company, a risk retention captive insurance company:

- (1) Shall qualify for credit for reinsurance on risks ceded to a reinsurer if the reinsurer is in compliance with article 4A; or
- (2) May qualify for credit for reinsurance on risks ceded to a reinsurer, if the reinsurer meets the reinsurance guidelines for risk retention captive insurance companies as adopted by the commissioner pursuant to chapter 91.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2013.

(Approved June 25, 2013.)