

JAN 18 2008

A BILL FOR AN ACT

RELATING TO PROPERTY INSURANCE.

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

1 SECTION 1. The legislature finds that homeowners in Hawaii
2 have been unable to obtain basic property insurance solely
3 because of the age of their homes.

4 The legislature has established the Hawaii property
5 insurance association, a nonprofit unincorporated legal entity
6 whose membership consists of all insurers authorized to offer
7 property insurance in Hawaii. Each member insurer participates
8 in the writings, expenses, profits, and losses of the Hawaii
9 property insurance association. The purpose of the Hawaii
10 property insurance association is to ensure the availability of
11 basic property insurance for owners of property in high risk
12 areas for major natural disasters.

13 The purpose of this Act is to expand the scope of persons
14 to whom the Hawaii property insurance association is required to
15 provide coverage to property owners unable to obtain basic
16 property insurance because of the age of the dwelling, if the
17 dwelling is otherwise structurally sound and not condemnable.



1 SECTION 2. Chapter 431:21, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§431:21- Application; non-geographic designation;
5 inspection. (a) Notwithstanding the geographic limitations of
6 section 431:21-107, any person with an insurable interest in
7 real property who has been unable to obtain basic property
8 insurance from a licensed insurer may apply to the association
9 for coverage.

10 (b) Within ten days of receiving an application, the
11 association may inspect the property to determine its structural
12 soundness and determine whether it is subject to condemnation.

13 (c) If it is determined that structures on the property
14 are structurally sound and are not condemnable pursuant to
15 applicable county building code, then, within ten days of the
16 inspection, an inspection report shall be submitted to the
17 member insurer designated by the association. The designated
18 member insurer shall perform the duties of the association as
19 required by the plan of operation. A copy of the completed
20 inspection report shall be sent to the applicant upon request."

21 SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall take effect upon its approval.

2

INTRODUCED BY:

Greg S. Hare

Anil Y. Jyoti

Clement Nishikawa

Will Eger

Mzanne Chun Oakland



Report Title:

Hawaii Property Insurance Association; Availability of Property Insurance

Description:

Requires the Hawaii property insurance association to provide basic property insurance to owners provided that structures on their property are structurally sound, regardless of its age.

