

JAN 17 2025

A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Chapter 431, Hawaii Revised Statutes, is
2 amended by adding a new section to article 10E to be
3 appropriately designated and to read as follows:
4 "§431:10E- Property insurance; notice of premium
5 increase; policy renewal; notice requirements; common interest
6 communities. (a) Beginning January 1, , this section shall
7 apply to any insurer that renews a master property insurance
8 policy for a policyholder that is a condominium association,
9 planned community association, or cooperative housing
10 corporation in this State.
11 (b) An insurer shall automatically provide a written
12 premium change notice to the policyholder disclosing the causes
13 of any premium increase for the insurance policy if, upon
14 renewal, the premium will increase by per cent or more;
15 provided that the notice required under this subsection shall be
16 provided to the policyholder no less than calendar days
17 before the effective date of the renewed policy. The premium



1 change notice shall include reasonable explanations and the
2 primary factors contributing to any premium increase, which
3 shall include the following categories:

- 4 (1) Water damage claims;
- 5 (2) Wastewater plumbing replacements;
- 6 (3) Fire safety devices and practices;
- 7 (4) Directors' and officers' liability claims;
- 8 (5) Reinsurance costs; and
- 9 (6) Catastrophic losses to the insurance industry;

10 provided that the notice shall include the extent to which each
11 of these categories contributes to the premium increase.

12 (c) Insurers shall include a statement in all premium
13 change notices that the policyholder may contact their insurer
14 to request additional information about the policyholder's
15 premium increase. Insurers shall respond to and provide
16 additional information for a policyholder's subsequent requests
17 for premium change transparency no less than calendar days
18 from the receipt of any request.

19 (d) Insurers shall send premium change notices to
20 policyholders in writing and may send either explanations or



1 notices via postal mail or electronic mail if the policyholder
2 has consented to receive notifications electronically.

3 (e) All insurers shall file electronically with the
4 commissioner a copy of any premium change notice provided to a
5 policyholder pursuant to this section. An insurer's failure to
6 send the notice required by this section to the policyholder or
7 file a copy with the commissioner shall be considered a
8 violation of this chapter."

9 SECTION 2. (a) Any insurer that renewed a property
10 insurance policy between the dates of January 1, 2022, to
11 December 31, 2024, for a policyholder that was a condominium
12 association, planned community association, or cooperative
13 housing corporation in this State, shall prepare a written
14 statement, with reasonable explanations and primary factors,
15 disclosing the cause for any premium increase that was effective
16 upon renewal between this period; provided that the premium
17 increased by at least per cent during this period. The
18 insurer shall send its written statement to the insurance
19 commissioner and the respective policyholder no later
20 than days after the effective date of this Act.



1 (b) The insurance commissioner shall review all written
2 statements submitted by insurers pursuant to subsection (a) and
3 shall submit a report of its findings and recommendations,
4 including any proposed legislation, to the legislature no later
5 than twenty days prior to the convening of the regular session
6 of 2026; provided that the report shall not be required to
7 include any information concerning premium changes that were
8 warranted due to the structural condition of any insured
9 property.

10 (c) Upon the effective date of this Act, the insurance
11 commissioner shall notify all applicable insurers of their duty
12 to comply with the requirements of this Act.

13 SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY: Carol Fulmer



S.B. NO. 803

Report Title:

Insurance Commissioner; Property Insurance; Premium Change Notice; Common Interest Communities; Notice Requirements; Disclosures; Report

Description:

Requires insurers to provide automatic, advance written premium change notices to common interest community policyholders and the Insurance Commissioner, with reasonable explanations and primary factors, disclosing the causes of any premium increase if, upon renewal, premiums are scheduled to increase more than an unspecified per cent. Requires insurers that renewed property insurance policies between 2022 and 2024 for policyholders that were condominium associations, planned community associations, or cooperative housing corporations in the State, to provide an explanation for certain premium increases during this period. Requires the Insurance Commissioner to submit a report to the Legislature.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

