

## A BILL FOR AN ACT

RELATING TO INSURANCE.

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

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to article 10E to be appropriately designated and to read as follows:

"§431:10E- Property insurance; notice of premium increase; policy renewal; notice requirements; common interest communities. (a) Beginning January 1, , this section shall apply to any insurer that renews a master property insurance policy for a policyholder that is a condominium association, planned community association, or cooperative housing corporation in this State.

(b) An insurer shall automatically provide a written premium change notice to the policyholder disclosing the causes of any premium increase for the insurance policy if, upon renewal, the premium will increase by per cent or more; provided that the notice required under this subsection shall be provided to the policyholder no less than calendar days before the effective date of the renewed policy. The premium



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

(1) Water damage claims;

(2) Wastewater plumbing replacements;

(3) Fire safety devices and practices;

(4) Directors' and officers' liability claims;

(5) Reinsurance costs; and

(6) Catastrophic losses to the insurance industry;

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

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

(d) Insurers shall send premium change notices to 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: 

JAN 16 2025



# H.B. NO. 255

**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.*

