
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. The legislature finds that insurers doing
2 business in the State are required to provide written notice to
3 their customers on cancellation or nonrenewal, but the current
4 notice requirements of ten and thirty days, respectively, are
5 unrealistic given the state of the property casualty insurance
6 market in Hawaii. Requiring insurers to give notice at least
7 thirty days prior to policy cancellation and sixty days prior to
8 nonrenewal ensures that policyholders have sufficient time to
9 secure alternative coverage and mitigates potential disruptions.

10 The legislature further finds that a mandate for certified
11 mail delivery provides verifiable proof of notice, thus reducing
12 disputes and enhancing accountability.

13 The legislature also finds that extending notice periods
14 promotes greater clarity and fairness in insurer-policyholder
15 relationships by establishing clear expectations and legal
16 assurances, thereby enabling consumers to make informed
17 decisions regarding their insurance coverage. To modernize and



1 streamline these processes, insurers may use electronic
2 certified mailing, such as e-certified mail, to maintain
3 delivery verification while reducing administrative burdens and
4 costs. Recognizing the operational adjustments required to meet
5 these new standards, this Act provides for phased implementation
6 to allow insurers sufficient time to adapt. By enacting this
7 measure, the legislature emphasizes the importance of consumer
8 protection while fostering transparency, accountability, and
9 fairness in the insurance industry.

10 The purpose of this Act is to increase the notice period
11 for an insurer to notify a policy holder of a cancellation or
12 nonrenewal of a property casualty insurance policy.

13 SECTION 2. Section 431:10-226.5, Hawaii Revised Statutes,
14 is amended to read as follows:

15 **"[+]§431:10-226.5[+] Notice of cancellation or nonrenewal.**

16 In the case of cancellation of a policy, the insurer shall give
17 written notice to the insured not fewer than [~~ten~~] thirty days
18 prior to the effective date of cancellation. For nonrenewal of
19 a policy, the insurer shall give written notice to the insured
20 not fewer than [~~thirty~~] sixty days prior to the effective date
21 of nonrenewal. If under title 24 or a policy, a longer time



1 period is required for a notice of cancellation or nonrenewal
2 for the policy, the longer period shall be applicable[÷];
3 provided that the longer period shall be applicable only to the
4 insurer. Cancellation or nonrenewal shall not be deemed valid
5 unless evidence of certified, electronic, or e-certified mailing
6 is provided."

7 SECTION 3. This Act does not affect rights and duties that
8 matured, penalties that were incurred, and proceedings that were
9 begun before its effective date.

10 SECTION 4. This Act shall not be applied so as to impair
11 any contract existing as of the effective date of this Act in a
12 manner violative of article I, section 10, of the United States
13 Constitution or the Hawaii State Constitution.

14 SECTION 5. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 6. This Act shall take effect on July 1, 2050;
17 provided that section 2 shall take effect on January 1, 2026.



Report Title:

Insurance; Property Casualty; Notice; Cancellation; Nonrenewal

Description:

Beginning 1/1/2026, increases the notice period for an insurer to notify a policy holder of a cancellation or nonrenewal of a property casualty insurance policy. Effective 7/1/2050. (SD1)

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