
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 SECTION 1. Section 431:19-104, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Each captive insurance company licensed pursuant to
4 this article shall possess and thereafter maintain unimpaired
5 capital and surplus in the amount established by the
6 commissioner; provided that:

7 (1) The commissioner shall take into account the nature
8 and volume of business transacted by each captive
9 insurance company, and any other factors deemed
10 appropriate by the commissioner;

11 (2) Class 3 companies shall be subject to other applicable
12 provisions of this chapter that may require capital
13 and surplus in excess of those established by the
14 commissioner; and

15 (3) Minimum capital and surplus established by the
16 commissioner shall be [~~no~~] not less than the following
17 amounts:



- 1 (A) Class 1 company: \$100,000;
- 2 (B) Class 2 company: \$250,000;
- 3 (C) Class 3 company: \$500,000;
- 4 (D) Class 4 company: [~~\$500,000~~] \$100,000; and
- 5 (E) Class 5 company: An amount as determined by the
- 6 commissioner on a case by case basis."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 3. This Act shall take effect on January 1, 3000.



S.B. NO. 2042
S.D. 1

Report Title:

Insurance; Sponsored Captive Insurance Companies; Minimum
Capital and Surplus; Reduction

Description:

Reduces the unimpaired minimum capital and surplus that class 4
sponsored captive insurance companies are required to maintain.
Effective 1/1/3000. (SD1)

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not legislation or evidence of legislative intent.*

