

ACT 62

S. B. NO. 321

A Bill for an Act to Amend Chapter 431, Hawaii Revised Statutes Relating to

ACT 62

Life 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 read as follows:

“**Sec. 431-562. Life Franchise Plan.** Insurance may be issued pursuant to the provisions of section 431-531 to 431-561 on a franchise plan under the terms of which life insurance and annuities, other than group life insurance, group annuities and industrial life insurance, is issued to:

(a) Two or more employees of any corporation, co-partnership, or individual employer or any governmental corporation, agency or department thereof; or

(b) Ten or more members, employees, or employees of members of any trade or professional association or of a labor union or of any other association having had an active existence for at least two years where such association or union has a constitution or by-laws and is formed in good faith for purposes other than that of obtaining insurance. Such persons, with or without their dependents, may be issued the same form of an individual policy varying only as to premium, amounts, and kinds of coverage applied for by such persons under an arrangement whereby the premiums on such policies may be paid to the insurer periodically by the employer, with or without payroll deductions, or by the association for its members, or by some designated person acting on behalf of such employer or association. The term employees as used herein shall be deemed to include the officers, managers and employees of the employer and the individual proprietor or partners if the employer is an individual proprietor or partnership. No individual may become insured for more than \$20,000 under this plan.”

SECTION 2. This Act shall take effect upon its approval.

(Approved June 10, 1969.)