

**ACT 177**

**H.B. NO. 1039**

**A Bill for an Act Relating to the Standard Form Fire Insurance Policy.**

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 431-420, Hawaii Revised Statutes, is amended to read:

**“Sec. 431-420 Standard form fire insurance policy.** (a) The standard form fire insurance policy as authorized and in effect in the State of New York on December 31, 1943, or its approved equivalent is established as the standard form fire insurance policy for this State, and no fire insurance policy shall be delivered or issued for delivery in this State in any other than the standard form or its approved equivalent with such additions or modifications as are allowed or required by this chapter. This section is not applicable to inland marine policies or policies written upon motor vehicles or aircraft. For the purpose of this section, “approved equivalent” means any form of policy which does not correspond to the standard fire insurance policy, provided that the coverage with respect to the peril of fire, when viewed in its entirety, is substantially equivalent to, or more favorable to the insured than that contained in the standard fire insurance policy and approved for use by the Insurance Commissioner, State of Hawaii.

(b) The insurance commissioner shall at all times keep on file in his office a copy of the standard form fire insurance policy certified by the superintendent of insurance of the State of New York, and copies of all forms deemed to be equivalent.

(c) Nothing herein shall affect the validity of any policy otherwise valid or of any claim thereunder against an insurer.

(d) No part of the standard form fire insurance policy or its approved equivalent shall be omitted therefrom.

(e) Any policy which, in addition to coverage against perils of fire and lightning, includes coverage against other perils, need not comply with all of the provisions of the standard form fire insurance policy or its approved equivalent if the policy provisions with respect to the perils of fire and lightning are the exact provisions of the standard form fire insurance policy or its approved equivalent and, except with respect to homeowners policies, if the premium for the perils of fire and lightning is separately stated.

(f) The following additions to or modifications of the standard form fire insurance policy or its approved equivalent are permitted:

- (1) An insurer may use in its policies its name, location of its principal office and date of incorporation, the amount of its paid-in capital stock, the amount of subscribed capital if separately stated, the names of its officers and agents, the number and date of the policy, or the words: “This policy shall not be valid until countersigned by the duly authorized manager or agent of the company at . . . . .”.
- (2) The pages of the standard policy or its approved equivalent may be renumbered and rearranged for convenience in the preparation of individual contracts and to provide space for the description of the property insured, the listing of rates and premiums for coverages insured thereunder or under endorsements attached or printed thereon, and such other data as may be conveniently included for duplication on daily reports or office records, and there may be substituted for the word company a more accurate descriptive term for the type of insurer.
- (3) An insurer organized under special charter provisions may so indicate upon its policy and may add a statement of the plan under which it operates in this State.

- (4) An insurer may use in its policies written, typewritten, or printed forms of description and specifications of the property insured.
- (5) An insurer may use in its policies with the approval of the commissioner, if the same are not already included in the standard policy or its approved equivalent, any provisions which any insurer is required by law to insert in its policies not in conflict with the standard policy. The provisions shall be printed apart from the other conditions, agreements, or provisions of the policy under separate title as follows: "Provisions required by law to be inserted in this policy."
- (6) An insurer may affix to the policy or include therein a written statement that the policy does not cover loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination, all whether directly or indirectly resulting from an insured peril under the policy; provided that nothing herein shall be construed to prohibit the attachment to any such policy of an endorsement or endorsements specifically assuming coverage of loss or damage caused by nuclear reaction or nuclear radiation or radioactive contamination.
- (7) An insurer may affix to the policy or include therein a written statement that the policy does not cover loss or damage by fire to sugarcane caused by volcanic activity; provided that nothing herein shall be construed to prohibit the attachment to any such policy of an endorsement or endorsements specifically assuming coverage for loss or damage by fire to sugarcane caused by volcanic activity.
- (8) An insurer may use appropriate forms of additional contracts, riders, or endorsements adding to or modifying the provisions in the standard policy or its approved equivalent, or insuring against any additional perils which may by law be the subject of insurance, or insuring against indirect or consequential loss or damage. Such other perils may be perils excluded from coverage in the standard policy or its approved equivalent. Such form of contracts, riders, and endorsements may contain provisions or stipulations inconsistent with the standard policy or its approved equivalent if such provisions and stipulations are applicable only to such additional coverage or other additional peril or perils insured against, and, except with respect to homeowners policies, shall state separately the premium, if any, for the peril or perils specified in the contracts, riders, or endorsements, and provide for cancellation as to the perils, if actually removed, without prejudice to the remaining insurance.
- (g) A policy issued by a mutual insurer shall contain in the body of the policy the total amount for which the insured may be liable under the charter or articles of the insurer.
- (h) In the event of any conflict between this section and other provisions of this chapter, this section shall govern."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.\*

\*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.

**SECTION 3.** This Act shall take effect January 1, 1980.  
(Approved June 5, 1979.)