

A Bill for an Act Relating to the Hawaii Motor Vehicle Accident Reparations Act.  
*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 294-13, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

“(j) [For the period of eight years from September 1, 1975, and terminating on August 31, 1983, the] The commissioner shall be prohibited from setting, maintaining, or in any way fixing the rates charged by motor vehicle insurers for motor vehicle insurance issued in conformity with this chapter as either no-fault insurance or as optional additional insurance except as provided under section 294-23. [This eight-year period shall be a period of open rating.] Each firm licensed to underwrite no-fault insurance in the State shall establish its own rate schedule. The commissioner shall, however, monitor and survey the several companies’ rate making methods and systems. The commissioner shall require of each insurer and of each self-insurer any and all information, data, internal memoranda, studies, and audits, he deems desirable for the purpose of evaluation, comparison, and study of the methods and schedules.

Notwithstanding this prohibition, the commissioner shall, in his discretion, intervene at any time [during this [eight-year period,]<sup>1</sup> to adjust rates, for the no-fault, mandatory, or optional-additional coverages, being assessed by any or all insurers, upon a finding that all or any rates are excessively high or unconscionably below the actual costs of provision of the coverage being assured.

[On June 1, 1983 the applicable transition provisions of this chapter shall be effective as to rate making and the commissioner shall perform all acts required by this chapter for the setting and regulation of uniform rates conforming to this chapter to be effective on and after September 1, 1983.]

In the establishment of their individual rate schedules, each insurer shall conform fully to subsection (b)(1), (2), and (4)[, during the open rating period].”

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 Statutory material to be repealed is bracketed.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

SECTION 3. This Act shall take effect upon its approval.

(Approved June 5, 1982.)

**Note**

1. So in original.