

ACT 205

H.B. NO. 1357

A Bill for an Act Relating to Insurance.

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

SECTION 1. Section 431-296, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) An insurer other than a life insurer may own and invest or have invested in its home office and branch office buildings any of its funds in aggregate amount not to exceed twenty per cent of its admitted assets unless approved by the commissioner, or if a mutual or reciprocal insurer not to exceed twenty per cent of its admitted assets nor such amount as would reduce its surplus, exclusive of such investment, below the minimum required surplus for

the class, or combination of classes, of insurance authorized, unless approved by the commissioner. A life insurer may own and invest or have invested in its home office building and branch office buildings any of its funds in an aggregate amount not to exceed twenty per cent of its admitted assets[, or fifty per cent of the excess of its admitted assets over its liabilities, other than capital stock if a stock life insurer, whichever is the lesser amount]. Such home office or branch office buildings may be constructed upon leasehold estates. However, if a life insurer has been licensed less than five years, a prior approval from the insurance commissioner shall be required before investment may be made in home office or branch office buildings.”

SECTION 2. Statutory material to be repealed is bracketed.

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

(Approved June 3, 1985.)