

ACT 98

H.B. NO. 2282

A Bill for an Act Relating to Insurance.

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

SECTION 1. Act 347, Session Laws of Hawaii 1987, Section 2, is amended by amending subsection (b) of section 431:9-231 to read as follows:

“(b) (1) An insurer may so compensate only the following:

- (A) A licensed general agent appointed by it;
 - (B) A licensed subagent appointed by it in accordance with section 431:9-103;
 - (C) A licensed solicitor appointed by it in accordance with section 431:9-104; or
 - (D) A licensed subagent or a licensed solicitor appointed by a general agent under subparagraph (A); provided that a written agreement between the insurer and such general agent authorizing such compensation has been executed.
- (2) A general agent may so compensate only the following:
- (A) Licensed subagents appointed by the general agent;
 - (B) Licensed solicitors appointed by the general agent;
 - (C) Any general agent who is licensed in this State for the same class of insurance; [or]
 - (D) Any licensed nonresident agent or broker[.]; or
 - (E) A life only or life and disability insurance licensed subagent or a licensed solicitor appointed by a general agent under subparagraph (C); provided that a written agreement between the general agent and the general agent under subparagraph (C) authorizing such compensation has been executed.
- (3) A subagent may so compensate only licensed solicitors appointed by the subagent.
- (4) A surplus lines broker may so compensate only the following:
- (A) Licensed subagents appointed by the broker;
 - (B) Licensed solicitors appointed by the broker; or
 - (C) Any general agent who is licensed in this State for the class of insurance involved."

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 Statutory material to be repealed is bracketed.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

SECTION 3. This Act shall take effect on July 1, 1988.

(Approved May 24, 1988.)