

ACT 170

S.B. NO. 2433

A Bill for an Act Relating to Insurance.

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

SECTION 1. Section 431:16-218, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) No person, including an insurer, and an agent or affiliate of an insurer, shall make, publish, disseminate, circulate, or place before the public, or cause directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in any newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio station or television station, or in any other way, any advertisement, announcement or statement, written or oral, which uses the existence of the Hawaii Life and Disability Insurance Guaranty Association of this State for the purpose of sales, solicitation or inducement to purchase any form of insurance covered by the Hawaii Life and Disability Insurance Guaranty Association Act. [Provided, however, that this] This section shall not apply to the Hawaii Life and Disability Insurance Guaranty Association or any other entity [who] which does not sell or solicit insurance.

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(b) Within one hundred eighty days of [July 1, 1988], the association shall prepare a summary document describing the general purposes and current limitations of this part and complying with subsection (c). This document [should] shall be submitted to the commissioner for approval. Sixty days after receiving such approval, no insurer may deliver a policy or contract described in section 431:16-203 to a policyholder or contract holder unless the document is delivered to the policyholder or contract holder [prior to or] at the time of delivery of the policy or contract except if subsection (d) applies. The document should also be available upon request by a policyholder. The distribution, delivery or contents or interpretation of this document shall not mean that either the policy or the contract or the holder thereof would be covered in the event of the impairment or insolvency of a member insurer. The description document shall be revised by the association as amendments to this part may require. Failure to receive this document does not give the policyholder, contract holder, certificate holder, or insured any greater rights than those stated in this part.”

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 Statutory material to be repealed is bracketed.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

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

(Approved June 19, 1990.)