

## ACT 358

H.B. NO. 1216

A Bill for an Act Relating to Captive Insurance Companies.

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

SECTION 1. Section 431:19-115, Hawaii Revised Statutes, is amended to read as follows:

“**§431:19-115 Laws applicable.** (a) No insurance laws of this State other than those contained in this article, or contained in specific references contained in this article, shall apply to pure captive insurance companies. In addition to this article, [all of the other insurance laws of this State] article 1, article 2, part III of article 3, article 4A, parts I and II of article 5, article 6, article 11, and article 15 of this chapter, and chapter 431K shall apply to association captive insurance companies, including risk retention insurance companies, unless these other laws are inconsistent with this article.

The application of the foregoing provisions shall not diminish the commissioner’s authority for exemption as may be contained therein or as may be deemed appropriate under the circumstances.

(b) In addition, the commissioner may adopt rules pursuant to chapter 91 as the commissioner deems necessary in connection with the financial oversight and regulation of association captive insurance companies, including risk retention captive insurance companies.”

SECTION 2. Act 190, Session Laws of Hawaii 1994, as amended by Acts 61 and 232, Session Laws of Hawaii 1995, is amended by amending section 10 to read as follows:

“SECTION 10. This Act shall take effect on June 21, 1994; provided that on June 30, 2000, sections 1 through [5] 4 of this Act and section 431:2-307, Hawaii Revised Statutes, shall be repealed, and sections 431:3-302, 431:5-307, and 431:19-107, [and 431:19-115,] Hawaii Revised Statutes, are reenacted in the form in which they read on June 20, 1994.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 3, 1997.)