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**ACT 203**

S.B. NO. 2838

A Bill for an Act Relating to Insurance.

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

SECTION 1. Section 431:9-201, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) No person engaging in the business of insurance in this State shall act as, be appointed as, or hold oneself out to be a general agent, subagent, solicitor, or adjuster unless so licensed by this State.

(b) No general agent, subagent, or solicitor in this State shall solicit or take applications for, procure, or place for others any class of insurance for which the general agent, subagent, or solicitor is not licensed[.] and does not hold an appointment from the insurer in this State for that class of insurance.”

SECTION 2. Section 431:9-211, Hawaii Revised Statutes, is amended to read as follows:

**“§431:9-211 Appointment [and], revocation, or termination of general agents and subagents.** (a) Each insurer on appointing a general agent, and each general agent or domestic insurer on appointing a subagent in this State shall file written notice of the appointment in duplicate with the commissioner on forms as prescribed and furnished by the commissioner. If then licensed, or as soon as licensed, the commissioner shall mail one copy of the appointment to the licensee.

(b) Each appointment shall be effective when all parties to the appointment have signed the notice of appointment form. The appointment form shall be [mailed to] received by the commissioner within [ten] fifteen days after the signature of the last party. The effective date of the appointment shall be the date on which the last party signs the appointment form if the appointment form is [mailed] received within the [ten-day] fifteen-day period. If the appointment form is not [mailed] received within [ten] fifteen days, the effective date of the appointment shall be the date on which the commissioner receives the appointment form. The appointment shall continue in force until:

- (1) The commissioner notifies the insurer that the person so appointed is no longer licensed as a general agent by this State;
- (2) The commissioner notifies the general agent or domestic insurer that the person so appointed is no longer licensed as a subagent by this State;
- (3) The appointment as general agent is:
  - (A) Revoked by the insurer by written notice of the revocation to the general agent; or
  - (B) Terminated by the general agent by written notice of the termination to the insurer; or
- (4) The appointment as subagent is:
  - (A) Revoked by the general agent or domestic insurer by written notice of the revocation to the subagent; or
  - (B) Terminated by the subagent by written notice of the termination to the general agent or domestic insurer.

(c) [Any person who revokes or terminates shall file within ten days with the commissioner a copy of the notice of revocation or termination.] A copy of the notice of revocation or termination shall be mailed or delivered to the commissioner by the person revoking or terminating the general agent or subagent and shall be received by the commissioner within fifteen days from the date a person revokes or terminates a general agent or subagent.

(d) Revocation or termination of an appointment by an insurer or a general agent shall be deemed to be effective as of the date designated in the notice as being the effective date [if the notice is actually received by the licensee prior to such designated date; otherwise, as of the earlier of the following dates:

- (1) The date the notice of revocation was received by the licensee;
- (2) The date the notice, if mailed to the licensee at the licensee's last address of record with the insurer, in due course should have been received by the licensee.]

if a copy of the notice of the revocation or termination is received by the commissioner within fifteen days of the date designated in the notice. If the notice of the revocation or termination is not received by the commissioner within fifteen days of the date designated in the notice, the effective date of the revocation or termination shall be the date on which the commissioner receives the notice.”

SECTION 3. Section 431:9-216, Hawaii Revised Statutes, is amended to read as follows:

**“§431:9-216 Solicitors; appointment [and], revocation[.], or termination.** (a) Each general agent, subagent, or domestic insurer on appointing a solicitor in this State shall file written notice of the appointment in triplicate with the commissioner on forms prescribed and furnished by the commissioner. The commissioner shall mail one copy of the appointment to the [licensee] appointing general agent, subagent, or domestic insurer, if then licensed, or as soon as licensed.

(b) Each appointment shall be effective when all parties to the appointment have signed the notice of appointment form. The appointment form shall be [mailed to] received by the commissioner within [ten] fifteen days after the signature of the last party. The effective date of the appointment shall be the date on which the last party signs the notice of appointment form if the appointment form is [mailed] received within the [ten-day] fifteen-day period. If the appointment form is not [mailed] received within [ten] fifteen days, the effective date of the appointment shall be the date on which the commissioner receives the appointment form. The appointment shall continue in force until:

- (1) The commissioner notifies the general agent, subagent, or domestic insurer that the person so appointed is no longer licensed as a solicitor by this State;
- (2) The appointment is revoked by the general agent, subagent, or domestic insurer by written notice of the revocation to the solicitor; or
- (3) The appointment is terminated by the solicitor by written notice of the termination to the general agent, subagent, or domestic insurer.

(c) [Any person who revokes or terminates shall file within ten days with the commissioner a copy of the notice of revocation or termination.] A copy of the notice of revocation or termination shall be mailed or delivered to the commissioner by the person revoking or terminating the general agent, subagent, or domestic insurer and shall be received by the commissioner within fifteen days from the date a person revokes or terminates a general agent or subagent.

(d) Revocation or termination of an appointment by a general agent, subagent, or domestic insurer shall be deemed to be effective as of the date designated in the notice as being the effective date[, if the notice is actually received by the solicitor prior to the designated date; otherwise, as of the earlier of the following dates:

- (1) The date the notice of revocation was received by the solicitor; or
- (2) The date the notice, if mailed to the solicitor at the solicitor's last residence of record with<sup>1</sup> solicitor's employer, in due course should have been received by the solicitor.]

if a copy of the notice of the revocation or termination is received by the commissioner within fifteen days of the date designated in the notice. If the notice of the revocation or termination is not received by the commissioner within fifteen days of the date designated in the notice, the effective date of the revocation or termination shall be the date on which the commissioner receives the notice.”

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 17, 1998.)

**Note**

1. Prior to amendment “the” appeared here.