A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- SECTION 1. The legislature finds that personal insurance 1 premiums are excessively high due to the failure of many 2 3 accident victims to report accidents to insurers within a reasonable time. The effect of the delay in reporting accidents 4 is that insurers have little time to sufficiently investigate 5 claims, and often pay unmeritorious claims to avoid penalties 6 7 for late payment. The purpose of this Act is to limit the period in which 8 9 insureds are required to report accidents to insurers without 10 placing an undue burden on insureds so that insurers have enough 11 time to investigate dubious claims. SECTION 2. Chapter 431, Hawaii Revised Statutes, is 12 amended by adding a new section to article 10C to be 13 appropriately designated and to read as follows: 14 "§431:10C- Notice. In the event of an accident, written 15 16 notice setting forth details sufficient to identify the eligible 17 injured person, along with reasonably obtainable information
- 18 regarding the time, place, and circumstances of the accident,



- 1 shall be given by or on behalf of each eligible injured person
- 2 to the insurer or any of the insurer's authorized agents as soon
- 3 as reasonably practicable, but in no event more than thirty days
- 4 after the date of the accident, unless the eligible injured
- 5 person submits written proof providing clear and reasonable
- 6 justification for the failure to comply with the time
- 7 limitation."
- 8 SECTION 3. New statutory material is underscored.
- 9 SECTION 4. This Act shall take effect upon its approval.

10

INTRODUCED BY:

mu

JAN 1 7 2007

Report Title:

Motor Vehicle; Reporting Periods

Description:

Shortens notice period for reporting accident to insurer.