

MAR 16 2011

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# SENATE CONCURRENT RESOLUTION

REQUESTING COMMERCIAL GENERAL LIABILITY INSURERS TO SUBMIT  
PREMIUM INFORMATION TO THE LEGISLATURE.

1           WHEREAS, the decision by the Hawaii Intermediate Court of  
2 Appeals in *Group Builders, Inc., v. Admiral Insurance Company*,  
3 231 P.3d 67(2010), held that construction defect claims are not  
4 "occurrences" under contractors' general liability policies, and  
5 therefore such policies do not cover bodily injury or property  
6 damage arising from construction defects; and

7  
8           WHEREAS, insurance companies doing business in Hawaii had  
9 sold contractors' general liability insurance policies to  
10 contractors, representing that their insurance policies would  
11 cover claims for bodily injury and property damage arising from  
12 construction defects; and

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14           WHEREAS, contractors and developers who had purchased  
15 commercial general liability policies to cover claims for bodily  
16 injury and property damage arising from construction defects had  
17 the expectation that insurance carriers would honor their  
18 contractual obligations; and

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20           WHEREAS, if the insurance coverage is not restored,  
21 numerous contractors, subcontractors, and others could risk  
22 bankruptcy if they are unable to pay ancillary damages, thereby  
23 leaving consumers without any payment for claims; now,  
24 therefore,

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26           BE IT RESOLVED by the Senate of the Twenty-sixth  
27 Legislature of the State of Hawaii, Regular Session of 2011, the  
28 House of Representatives concurring, that every domestic and  
29 foreign insurance company that has ever issued commercial  
30 general liability policies in the State is requested to submit  
31 information to the Legislature on the total premiums received



1 for their commercial general liability policies during the past  
2 ten years; and

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4 BE IT FURTHER RESOLVED that these domestic or foreign  
5 insurers are requested to submit this information to the  
6 Legislature not later than May 3, 2011, of the Regular Session  
7 of 2011; and

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9 BE IT FURTHER RESOLVED that certified copies of this  
10 Concurrent Resolution be transmitted to the State Insurance  
11 Commissioner, the Executive Director of the Hawaii Insurers  
12 Council, the President of the General Contractors Association of  
13 Hawaii, and the President of the Building Industry Association  
14 of Hawaii.

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16  
17 OFFERED BY:

Clara K. Juchik

