

JAN 23 2006

S.B. NO. 2094

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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1           SECTION 1. The legislature finds that the primary purpose  
2 of Act 214, Session Laws of Hawaii 1993, was to improve the  
3 system by which traffic offenses are processed in order to  
4 dispose expeditiously of these cases and thereby achieve  
5 efficient and effective use of limited judicial and law  
6 enforcement resources. At the same time, Act 214 was designed  
7 to minimize the time motorists would spend in court by  
8 permitting them, in most instances, to resolve their cases by  
9 mail.

10           The legislature also finds that Act 214 made most traffic  
11 offenses civil in nature and, as a result, courts do not issue  
12 arrest warrants when a motorist initially fails to pay a fine or  
13 other assessment. Instead, the court orders judgment for the  
14 State and places a "stopper" on the driver's license or vehicle  
15 registration until the outstanding fines or assessments are  
16 paid. This procedure is designed to ensure that outstanding  
17 fines are paid before a person renews their driver's license or  
18 motor vehicle registration or transfers the motor vehicle. In



1 this way, fines are collected with minimum consumption of court  
2 resources.

3 The legislature further finds that "stoppers" on driver's  
4 licenses for moving violations were authorized by section 291D-  
5 10(a), Hawaii Revised Statutes, while "stoppers" on vehicle  
6 registrations and transfers for parking violations were  
7 authorized by section 291D-10(b), Hawaii Revised Statutes. The  
8 reason that "stoppers" linked moving violations with driver's  
9 licenses, on the one hand, and parking violations and vehicle  
10 registrations and transfers, on the other, was that the driver's  
11 license and vehicle registration databases could not be cross-  
12 referenced at the time. As a result, a "stopper" for failure to  
13 pay a parking violation could not be placed on the driver's  
14 license of the vehicle owner and instead had to be placed on the  
15 vehicle itself.

16 The legislature further finds that amendments made to  
17 section 291D-10, Hawaii Revised Statutes, by Act 48, Session  
18 Laws of Hawaii 2005, expanded the class of outstanding sums for  
19 which a "stopper" could be imposed. Thereafter, the judiciary  
20 began to enforce a policy that effectively made the purchaser of  
21 a used vehicle liable not only for outstanding citations on the  
22 vehicle but for any related fees that may have been imposed on



1 the previous owner of the vehicle for the previous owner's  
2 failure to pay the fines. As a result, purchasers of used  
3 vehicles have been unable to perfect the transfer without having  
4 to arrange payment of fees of which they had no knowledge at the  
5 time of the sale.

6 While the legislature finds that encumbering property with  
7 a lien for sums due to the government is not a new practice, the  
8 manner in which the judiciary has enforced section 291D-10,  
9 Hawaii Revised Statutes, has imposed undue hardship on consumers  
10 and stands to impede commerce in used vehicles. For one thing,  
11 the judiciary's information system has not been, and may never  
12 be, able to give real-time information on outstanding parking  
13 violations for a particular vehicle. For another, holding a  
14 good faith purchaser liable for fees that relate not to the  
15 parking citation itself but to the previous owner's failure to  
16 pay the citation is manifestly unfair.

17 The purpose of this Act is to promote fairness to consumers  
18 and remove impediments to commerce in used vehicles by ensuring  
19 that parking citations and any fees incurred for failure to pay  
20 them remain the responsibility of the person who owned the  
21 vehicle at the time the citation was issued.



1 SECTION 2. Section 291D-10, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§291D-10 Restriction on driver's license and motor**

4 **vehicle registration.** (a) When the person issued a notice of  
5 traffic infraction not involving parking fails to pay the total  
6 amount of fines, fees, surcharges, costs, or monetary  
7 assessments that has been ordered, the court shall cause an  
8 entry to be made in the driver's license record so as to prevent  
9 the person from acquiring or renewing the person's driver's  
10 license until the outstanding amount is paid or the notice of  
11 traffic infraction is otherwise disposed of pursuant to this  
12 chapter.

13 (b) [~~In all cases where~~] When the registered owner of a  
14 motor vehicle to which a notice of traffic infraction has been  
15 issued fails to pay the total amount of fines, fees, surcharges,  
16 costs, or monetary assessments that have been ordered, the court  
17 shall cause an entry to be made in the motor vehicle's record so  
18 as to prevent [~~issuance or~~] renewal of the motor vehicle's  
19 certificate of registration [~~and transfer of title to the motor~~  
20 ~~vehicle until the outstanding amount is paid or the notice of~~  
21 ~~traffic infraction is otherwise disposed of pursuant to this~~  
22 ~~chapter.~~] by the person who was the registered owner of the



1 vehicle at the time the notice of traffic infraction was issued.  
 2 The court may also cause an entry to be made in the person's  
 3 driver's license record so as to prevent the person from  
 4 acquiring or renewing the person's driver's license until the  
 5 outstanding assessment is paid or the notice of traffic  
 6 infraction is otherwise disposed of pursuant to this chapter.

7 (c) The registered owner of a motor vehicle to which a  
 8 notice of traffic infraction was issued shall remain responsible  
 9 for the total amount of fines, fees, surcharges, costs, or  
 10 monetary assessments imposed for a notice of traffic infraction  
 11 issued while the person was the registered owner, even if the  
 12 person thereafter transfers the vehicle. The transferee shall  
 13 not be responsible for any fines, fees, surcharges, costs, or  
 14 monetary assessments imposed for a notice of traffic infraction  
 15 issued before the transferee became the registered owner of the  
 16 vehicle."

17 SECTION 3. Statutory material to be repealed is bracketed  
 18 and stricken. New statutory material is underscored.

19 SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY: Clarence K. Nashikawa  
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SB2004

**Report Title:**

Motor Vehicles; Transfer; Unpaid Assessments

**Description:**

Amends section 291D-10, HRS, so that unpaid parking citations remain the responsibility of the person who owned the vehicle at the time the citation was issued, even if the vehicle is later transferred. Permit the driver's license of the person who was the registered owner at the time the citation was issued to be restricted until outstanding assessments are paid.

