

JAN 25 2006

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

1 SECTION 1. The legislature finds that most people do not
2 continue to receive training after their initial training for a
3 driver's license. However, continuing education in driver
4 training is extremely valuable in refreshing a driver's
5 knowledge of driving safety. Most states already have
6 continuing driver education legislation in place. In these
7 states, insurance premiums have been reduced by ten to twenty
8 per cent.

9 The purpose of this Act is to authorize the motor vehicle
10 insurers to reduce premium charges for insureds who complete a
11 motor vehicle accident prevention course.

12 SECTION 2. Chapter 431, article 10C, part II, Hawaii
13 Revised Statutes, is amended by adding a new section to be
14 appropriately designated and to read as follows:

15 "§431:10C- Premium reductions. (a) Any rates, rating
16 schedules, or rating manuals for the liability, personal injury
17 protection, and collision coverages of a motor vehicle insurance
18 policy submitted to or filed with the commissioner may provide



1 for an appropriate reduction in premium charges as to those
2 coverages when the principal operator on the covered vehicle is
3 an insured who successfully completes a motor vehicle accident
4 prevention course approved by the department of transportation.
5 Any discount used by an insurer shall be presumed appropriate
6 unless credible data demonstrates otherwise.

7 (b) The premium reduction allowed by this section shall be
8 effective for an insured for a three-year period after
9 successful completion of the approved course, except that the
10 insurer may require conditions of providing and maintaining the
11 discount.

12 (c) Upon successfully completing the approved course, each
13 person shall be issued a certificate by the organization
14 offering the course, which shall be used to qualify for the
15 premium discount allowed by this section.

16 (d) This section shall not apply in the event the approved
17 course is specified by a court or other governmental entity
18 resulting from a moving traffic violation.

19 (e) Each participant shall take an approved course every
20 three years to continue to be eligible for the reduction in
21 premiums."

22 SECTION 3. New statutory material is underscored.



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

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Report Title:

Motor Vehicle Insurance

Description:

Provides motor vehicle insurance premium discounts to those who complete an accident prevention course.

