

S.B. NO. 2706

JAN 25 2012

A BILL FOR AN ACT

RELATING TO DRIVERS' LICENSES.

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

1 SECTION 1. The legislature recognizes that there is a need
2 to expand the availability of remedies for nonpayment of
3 judgments in chapter 287, Hawaii Revised Statutes, to state,
4 county, and city agencies. The purpose of this Act is to allow
5 a state, county, or city governmental agency to send a certified
6 copy of a judgment issued by a court, or an administrative order
7 issued pursuant to a hearing held under chapter 91, Hawaii
8 Revised Statutes, in which a person was determined to owe a debt
9 to a governmental agency to the administrator of chapter 287.
10 Upon receipt of the judgment or order, the administrator shall
11 suspend the driver's license of, or deny the issuance of a
12 driver's license to, any person who has failed to pay a debt
13 owed to the governmental agency.

14 SECTION 2. Section 287-1, Hawaii Revised Statutes, is
15 amended by adding two new definitions to be appropriately
16 inserted and to read as follows:

17 "Agency" means each state or county board, commission,
18 department, or officer authorized by law to adjudicate contested

S.B. NO. 2706

1 cases or any state, county, or city governmental agency charged
2 with collecting a debt owed to a governmental agency.

3 "Order" means an order issued pursuant to a hearing held in
4 accordance with chapter 91."

5 SECTION 3. Section 287-1, Hawaii Revised Statutes, is
6 amended by amending the definition of "judgment" to read as
7 follows:

8 "Judgment" means any judgment, order, or decree which has
9 become final by expiration without appeal of the time within
10 which an appeal might have been perfected, or by final
11 affirmation on appeal, rendered by a court of competent
12 jurisdiction of the United States or any territory or state
13 thereof upon a cause of action arising out of the ownership,
14 maintenance, or use of any motor vehicle for damages, including
15 damages for care and loss of services, because of bodily injury
16 to or death of any person, or for damages because of injury to
17 or destruction of property, including the loss of use thereof,
18 or upon a cause of action on an agreement of settlement for such
19 damages [7], or upon a cause of action arising out of a debt owed
20 to a state, county, or city governmental agency;"

21 SECTION 4. Section 287-15, Hawaii Revised Statutes, is
22 amended to read as follows:

S.B. NO. 2706

1 "**§287-15 Report of nonpayment of judgments.** (a) Whenever
2 any person fails within sixty days to satisfy any judgment upon
3 the written request of the judgment creditor or the judgment
4 creditor's attorney, the clerk of the court or the judge of a
5 court which has no clerk in which any such judgment is rendered
6 shall forward to the administrator immediately after the
7 expiration of the sixty days a certified copy of the judgment.

8 (b) Whenever any person fails within sixty days to satisfy
9 a judgment or order to pay a debt owed to a state, county, or
10 city governmental agency, the agency may forward a certified
11 copy of the judgment or order to the administrator.

12 (c) If the defendant named in any certified copy of a
13 judgment or order reported to the administrator is a
14 nonresident, the administrator shall transmit a certified copy
15 of the judgment or order to the official in charge of the
16 issuance of licenses and registration certificates of the state
17 of which the defendant is a resident."

18 SECTION 5. Section 287-16, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§287-16 Suspension for nonpayment of judgment;**
21 **exceptions.** The administrator, upon the receipt of a certified
22 copy of the judgment or order shall forthwith suspend the

S.B. NO. 2706

1 license of, or deny the issuance of a driver's license to, any
2 person against whom such judgment or order was rendered, except
3 as hereinafter otherwise provided in this section and in section
4 287-19.

5 If the judgment creditor or governmental agency consents in
6 writing, in such form as the administrator may prescribe, that
7 the judgment debtor or person against whom an order was rendered
8 be allowed a license, the same may be allowed by the
9 administrator, in the administrator's discretion, for six months
10 from the date of the consent and thereafter until the consent is
11 revoked in writing, notwithstanding default in the payment of
12 the judgment [7] or order, or of any installments thereof
13 prescribed in section 287-19, provided the judgment debtor or
14 person against whom an order was rendered furnished proof of
15 financial responsibility."

16 SECTION 7. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 8. This Act shall take effect on July 1, 2012.

19

20

INTRODUCED BY: 

21

BY REQUEST

S.B. NO. 2706

Report Title:

Drivers' Licenses

Description:

Authorizes state, county, and city governmental agencies to use chapter 287, Hawaii Revised Statutes, to suspend the driver's license of an individual who has refused to pay a debt owed to a governmental agency, following judgment or order.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Attorney General

TITLE: A BILL FOR AN ACT RELATING TO DRIVERS' LICENSES.

PURPOSE: To allow a state, county, or city governmental agency to send a certified copy of a judgment or administrative order to the Administrator under chapter 287, Hawaii Revised Statutes, requesting and authorizing the Administrator to suspend or deny the issuance of a driver's license of an individual who has owed to a state, county, or city governmental agency.

MEANS: Amend sections 287-1, 287-15, and 287-16, Hawaii Revised Statutes.

JUSTIFICATION: Under current law, an individual's driver's license may be suspended only when a court issues a judgment in a case arising out of the ownership, maintenance or use of a motor vehicle for damages, and a person fails to satisfy the judgment within sixty days. Upon the judgment creditor's request, the court sends a copy of a certified judgment to the Administrator of chapter 287 who then suspends the defendant's driver's license.

State, county, and city governmental agencies need an alternative to costly and extensive litigation to motivate individuals to pay a debt owed to a governmental agency. This can be accomplished where it is confirmed by a court or at an administrative hearing that a person owes a debt to a governmental agency. If the person fails to pay the debt within sixty days of the issuance of a judgment by a court or an order following an administrative hearing, a

certified copy of the judgment or administrative order may be sent to the Administrator requesting that a person's driver's license be suspended or that the person be denied the issuance of a driver's license.

Impact on the public: This bill will benefit the public interest because state, county, and city governmental agencies would be able to collect debts quicker and use the funds to provide continued services to the public.

Impact on the department and other agencies: This bill will help the department and other agencies by giving debtors an incentive to pay debts that they owe to governmental agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: None.

OTHER AFFECTED
AGENCIES: Various state, county, and city agencies.

EFFECTIVE DATE: July 1, 2012.