

STAND. COM. REP. NO.

238

Honolulu, Hawaii

Feb 14, 2011

RE: H.B. No. 158

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 158 entitled:

"A BILL FOR AN ACT RELATING TO UNINSURED MOTOR VEHICLES,"

begs leave to report as follows:

The purpose of this bill is to encourage Hawaii's motor vehicle operators to obtain and maintain motor vehicle insurance, as required under Hawaii law, by:

- (1) Prohibiting a driver of an uninsured motor vehicle involved in an accident from maintaining any action for damages against any other person for the driver's injuries or death arising out of the accident;
- (2) Allowing a passenger injured in an uninsured motor vehicle involved in an accident to sue only the operator of that vehicle; and
- (3) Repealing the statutory provision which imposes a \$1,000 fee in lieu of any fine which could have been levied as a criminal penalty for failing to obtain motor vehicle insurance.

The Property Casualty Insurers Association of America and GEICO testified in support of this bill. State Farm Insurance Companies testified in support of the intent of this measure. The Hawaii Association for Justice testified in opposition to this measure. The Insurance Commissioner provided comments.

HB158 HSCR TRN HMS 2011-1934

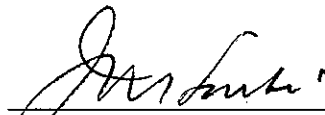


Under current law, individuals who own a motor vehicle in Hawaii must insure that motor vehicle. Unfortunately, many individuals fail or refuse to abide by this legal requirement. This situation could lead to inequitable results in a motor vehicle accident in which a driver of an uninsured vehicle could recover damages from drivers of legally insured motor vehicles while drivers who are legally insured would not be able to do the same with respect to the uninsured driver. This measure attempts to correct this situation.

However, several concerns were raised regarding the reasonableness and possible unintended consequences of this measure. Your Committee notes that under these provisions, it appears that drivers or occupants of an uninsured motor vehicle who are injured by persons such as at fault drivers, criminally negligent drivers, and reckless drivers, would be prohibited from filing claims even if the individual did not know the vehicle was uninsured. While these concerns are noted, your Committee finds that this issue deserves further consideration and that these concerns are beyond the purview of your Committee on Transportation and asks that your Committee on Judiciary review this matter more closely.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 158 and recommends that it pass Second Reading and be referred to the Committees on Judiciary and Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,

  
\_\_\_\_\_  
JOSEPH M. SOUKI, Chair



Record of Votes of the Committee on Transportation

Bill/Resolution No.: <b>HB 158</b>	Committee Referral: <b>TRN, JUD/CPC</b>	Date: <b>2/7/11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. SOUKI, Joseph M. (C)	/			
2. ICHIYAMA, Linda (VC)	/			
3. AQUINO, Henry J.C.	/			
4. CULLEN, Ty	/			
5. LEE, Marilyn B.	/			
6. LUKE, Sylvia			/	
7. SAIKI, Scott K.			/	
8. TAKUMI, Roy M.	/			
9. YAMASHITA, Kyle T.	/			
10. FONTAINE, George R.			/	
11. JOHANSON, Aaron Ling	/			
<b>TOTAL (11)</b>	<b>8</b>		<b>3</b>	
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <i>Sirdeh Ichigane</i>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				