
A BILL FOR AN ACT

RELATING TO INSURANCE.

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

1 PART I

2 SECTION 1. (a) There is established a working group to
3 assist in the development of a program to identify uninsured
4 motor vehicles in the State using web-based technology. The
5 working group shall be attached to the department of commerce
6 and consumer affairs for administrative purposes.

7 (b) The purpose of the working group, as described in
8 subsection (c), shall be to provide recommendations regarding:

9 (1) The development of a request for proposals from
10 qualified vendors to perform all services necessary to
11 develop and operate the motor vehicle insurance
12 verification program; provided that the program shall
13 include the following:

14 (A) Guidance on established industry standards for
15 real-time automotive liability insurance
16 verifications, as prescribed by the Insurance
17 Industry Committee on Motor Vehicle
18 Administration;



- 1 (B) Sending of notification letters to uninsured
- 2 motorists, specifically targeting repeat
- 3 offenders, with additional checks;
- 4 (C) Providing for suspension of motor vehicle
- 5 registration upon failure to respond to
- 6 notification letters; and
- 7 (D) Implementation of the program by January 1, 2015;
- 8 (2) The selection of a qualified vendor;
- 9 (3) Ways to exclude commercial vehicles from the motor
- 10 vehicle insurance verification program;
- 11 (4) Providing for an alternative means for small insurers
- 12 to fulfill reporting requirements;
- 13 (5) Appropriate benchmarking criteria and reporting
- 14 requirements to determine program efficacy and measure
- 15 the proportion of uninsured motor vehicles to insured
- 16 motor vehicles; and
- 17 (6) The impact on the uninsured motorist population if
- 18 minimum bodily injury liabilities are increased.
- 19 (c) The working group shall comprise the following members
- 20 or the members' designee:



- 1 (1) The insurance commissioner;
 - 2 (2) The deputy chief court administrator of the district
 - 3 court of the first circuit;
 - 4 (3) The court administrator of the traffic violations
 - 5 bureau of the district court of the first circuit;
 - 6 (4) The administrator of the motor vehicle and licensing
 - 7 division of the city and county of Honolulu;
 - 8 (5) A representative of the Honolulu police department,
 - 9 traffic division;
 - 10 (6) A representative of the Hawaii Insurers Council;
 - 11 (7) A representative of the Property Casualty Insurers
 - 12 Association of America;
 - 13 (8) A representative of the department of information
 - 14 technology of the city and county of Honolulu;
 - 15 (9) A representative of the commerce and economic
 - 16 development division of the department of the attorney
 - 17 general; and
 - 18 (10) Other members, as deemed appropriate by the chair of
 - 19 the working group.
- 20 The insurance commissioner shall serve as chair of the working
- 21 group.



1 (d) The working group shall cease to exist on January 1,
2 2015.

3 PART II

4 SECTION 2. Chapter , Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§ -A Motor vehicle insurance verification program;
8 special fund established. (a) The department of commerce and
9 consumer affairs shall develop and operate a program to identify
10 uninsured motor vehicles in the State, which shall become
11 effective on January 1, 2015.

12 (b) There is established within the state treasury a
13 special fund to be known as the motor vehicle insurance
14 verification special fund, into which shall be deposited \$25,
15 the allocated portion of fines provided for by section 431:10C-
16 117. All interest accrued on moneys deposited in the fund shall
17 become part of the fund.

18 (c) The motor vehicle insurance verification special fund
19 shall be administered by the department of commerce and consumer
20 affairs and shall be used for developing and operating a program
21 to identify uninsured motor vehicles in the State."



1 SECTION 3. Section 26-9, Hawaii Revised Statutes, is
2 amended by amending subsection (o) to read as follows:

3 "(o) Every person licensed under any chapter within the
4 jurisdiction of the department of commerce and consumer affairs
5 and every person licensed subject to chapter 485A or registered
6 under chapter 467B shall pay upon issuance of a license, permit,
7 certificate, or registration a fee and a subsequent annual fee
8 to be determined by the director and adjusted from time to time
9 to ensure that the proceeds, together with all other fines,
10 income, and penalties collected under this section, do not
11 surpass the annual operating costs of conducting compliance
12 resolution activities required under this section. The fees may
13 be collected biennially or pursuant to rules adopted under
14 chapter 91, and shall be deposited into the special fund
15 established under this subsection. Every filing pursuant to
16 chapter 514E or section 485A-202(a)(26) shall be assessed, upon
17 initial filing and at each renewal period in which a renewal is
18 required, a fee that shall be prescribed by rules adopted under
19 chapter 91, and that shall be deposited into the special fund
20 established under this subsection. Any unpaid fee shall be paid
21 by the licensed person, upon application for renewal,
22 restoration, reactivation, or reinstatement of a license, and by



1 the person responsible for the renewal, restoration,
2 reactivation, or reinstatement of a license, upon the
3 application for renewal, restoration, reactivation, or
4 reinstatement of the license. If the fees are not paid, the
5 director may deny renewal, restoration, reactivation, or
6 reinstatement of the license. The director may establish,
7 increase, decrease, or repeal the fees when necessary pursuant
8 to rules adopted under chapter 91. The director may also
9 increase or decrease the fees pursuant to section 92-28.

10 There is created in the state treasury a special fund to be
11 known as the compliance resolution fund to be expended by the
12 director's designated representatives as provided by this
13 subsection. Notwithstanding any law to the contrary, all
14 revenues, fees, and fines collected by the department shall be
15 deposited into the compliance resolution fund. Unencumbered
16 balances existing on June 30, 1999, in the cable television fund
17 under chapter 440G, the division of consumer advocacy fund under
18 chapter 269, the financial institution examiners' revolving
19 fund, section 412:2-109, the special handling fund, section
20 414-13, and unencumbered balances existing on June 30, 2002, in
21 the insurance regulation fund, section 431:2-215, shall be
22 deposited into the compliance resolution fund. This provision



1 shall not apply to the drivers education fund underwriters fee,
2 sections 431:10C-115 and 431:10G-107, insurance premium taxes
3 and revenues, revenues of the workers' compensation special
4 compensation fund, section 386-151, the captive insurance
5 administrative fund, section 431:19-101.8, the insurance
6 commissioner's education and training fund, section 431:2-214,
7 the medical malpractice patients' compensation fund as
8 administered under section 5 of Act 232, Session Laws of Hawaii
9 1984, the portion of fines imposed under section 431:10C-117(a)
10 deposited into the motor vehicle insurance verification special
11 fund pursuant to section -A, and fees collected for deposit
12 in the office of consumer protection restitution fund, section
13 487-14, the real estate appraisers fund, section 466K-1, the
14 real estate recovery fund, section 467-16, the real estate
15 education fund, section 467-19, the contractors recovery fund,
16 section 444-26, the contractors education fund, section 444-29,
17 the condominium education trust fund, section 514B-71, and the
18 mortgage foreclosure dispute resolution special fund, section
19 667-86. Any law to the contrary notwithstanding, the director
20 may use the moneys in the fund to employ, without regard to
21 chapter 76, hearings officers and attorneys. All other
22 employees may be employed in accordance with chapter 76. Any



1 law to the contrary notwithstanding, the moneys in the fund
2 shall be used to fund the operations of the department. The
3 moneys in the fund may be used to train personnel as the
4 director deems necessary and for any other activity related to
5 compliance resolution.

6 As used in this subsection, unless otherwise required by
7 the context, "compliance resolution" means a determination of
8 whether:

- 9 (1) Any licensee or applicant under any chapter subject to
10 the jurisdiction of the department of commerce and
11 consumer affairs has complied with that chapter;
- 12 (2) Any person subject to chapter 485A has complied with
13 that chapter;
- 14 (3) Any person submitting any filing required by chapter
15 514E or section 485A-202(a)(26) has complied with
16 chapter 514E or section 485A-202(a)(26);
- 17 (4) Any person has complied with the prohibitions against
18 unfair and deceptive acts or practices in trade or
19 commerce; or
- 20 (5) Any person subject to chapter 467B has complied with
21 that chapter;

22 and includes work involved in or supporting the above functions,



1 licensing, or registration of individuals or companies regulated
2 by the department, consumer protection, and other activities of
3 the department.

4 The director shall prepare and submit an annual report to
5 the governor and the legislature on the use of the compliance
6 resolution fund. The report shall describe expenditures made
7 from the fund including non-payroll operating expenses."

8 SECTION 4. Section 36-27, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) Except as provided in this section, and
11 notwithstanding any other law to the contrary, from time to
12 time, the director of finance, for the purpose of defraying the
13 prorated estimate of central service expenses of government in
14 relation to all special funds, except the:

- 15 (1) Special out-of-school time instructional program fund
16 under section 302A-1310;
- 17 (2) School cafeteria special funds of the department of
18 education;
- 19 (3) Special funds of the University of Hawaii;
- 20 (4) State educational facilities improvement special fund;
- 21 (5) Convention center enterprise special fund under
22 section 201B-8;



- 1 (6) Special funds established by section 206E-6;
- 2 (7) Housing loan program revenue bond special fund;
- 3 (8) Housing project bond special fund;
- 4 (9) Aloha Tower fund created by section 206J-17;
- 5 (10) Funds of the employees' retirement system created by
- 6 section 88-109;
- 7 (11) Unemployment compensation fund established under
- 8 section 383-121;
- 9 (12) Hawaii hurricane relief fund established under chapter
- 10 431P;
- 11 (13) Hawaii health systems corporation special funds and
- 12 the subaccounts of its regional system boards;
- 13 (14) Tourism special fund established under section 201B-
- 14 11;
- 15 (15) Universal service fund established under section 269-
- 16 42;
- 17 (16) Emergency and budget reserve fund under section 328L-
- 18 3;
- 19 (17) Public schools special fees and charges fund under
- 20 section 302A-1130;
- 21 (18) Sport fish special fund under section 187A-9.5;



- 1 (19) Glass advance disposal fee established by section
2 342G-82;
- 3 (20) Center for nursing special fund under section 304A-
4 2163;
- 5 (21) Passenger facility charge special fund established by
6 section 261-5.5;
- 7 (22) Court interpreting services revolving fund under
8 section 607-1.5;
- 9 (23) Hawaii cancer research special fund;
- 10 (24) Community health centers special fund;
- 11 (25) Emergency medical services special fund;
- 12 (26) Rental motor vehicle customer facility charge special
13 fund established under section 261-5.6;
- 14 (27) Shared services technology special fund under section
15 27-43; ~~and~~
- 16 (28) Automated victim information and notification system
17 special fund established under section 353-136[7]; and
- 18 (29) Motor vehicle insurance verification special fund
19 established under section -A,
- 20 shall deduct five per cent of all receipts of all special funds,
21 which deduction shall be transferred to the general fund of the
22 State and become general realizations of the State. All



1 officers of the State and other persons having power to allocate
 2 or disburse any special funds shall cooperate with the director
 3 in effecting these transfers. To determine the proper revenue
 4 base upon which the central service assessment is to be
 5 calculated, the director shall adopt rules pursuant to chapter
 6 91 for the purpose of suspending or limiting the application of
 7 the central service assessment of any fund. No later than
 8 twenty days prior to the convening of each regular session of
 9 the legislature, the director shall report all central service
 10 assessments made during the preceding fiscal year."

11 SECTION 5. Section 36-30, Hawaii Revised Statutes, is
 12 amended by amending subsection (a) to read as follows:

13 "(a) Each special fund, except the:

- 14 (1) Transportation use special fund established by section
 15 261D-1;
- 16 (2) Special out-of-school time instructional program fund
 17 under section 302A-1310;
- 18 (3) School cafeteria special funds of the department of
 19 education;
- 20 (4) Special funds of the University of Hawaii;
- 21 (5) State educational facilities improvement special fund;
- 22 (6) Special funds established by section 206E-6;



- 1 (7) Aloha Tower fund created by section 206J-17;
- 2 (8) Funds of the employees' retirement system created by
- 3 section 88-109;
- 4 (9) Unemployment compensation fund established under
- 5 section 383-121;
- 6 (10) Hawaii hurricane relief fund established under section
- 7 431P-2;
- 8 (11) Convention center enterprise special fund established
- 9 under section 201B-8;
- 10 (12) Hawaii health systems corporation special funds and
- 11 the subaccounts of its regional system boards;
- 12 (13) Tourism special fund established under section 201B-
- 13 11;
- 14 (14) Universal service fund established under section 269-
- 15 42;
- 16 (15) Emergency and budget reserve fund under section 328L-
- 17 3;
- 18 (16) Public schools special fees and charges fund under
- 19 section 302A-1130;
- 20 (17) Sport fish special fund under section 187A-9.5;
- 21 (18) Center for nursing special fund under section 304A-
- 22 2163;



- 1 (19) Passenger facility charge special fund established by
- 2 section 261-5.5;
- 3 (20) Court interpreting services revolving fund under
- 4 section 607-1.5;
- 5 (21) Hawaii cancer research special fund;
- 6 (22) Community health centers special fund;
- 7 (23) Emergency medical services special fund;
- 8 (24) Rental motor vehicle customer facility charge special
- 9 fund established under section 261-5.6;
- 10 (25) Shared services technology special fund under section
- 11 27-43; [~~and~~]
- 12 (26) Automated victim information and notification system
- 13 special fund established under section 353-136[~~7~~]; and
- 14 (27) Motor vehicle insurance verification special fund
- 15 established under section -A,

16 shall be responsible for its pro rata share of the
 17 administrative expenses incurred by the department responsible
 18 for the operations supported by the special fund concerned."

19 SECTION 6. Section 431:2-215, Hawaii Revised Statutes, is
 20 amended by amending subsection (a) to read as follows:

21 "(a) All assessments, fees, fines, penalties, and
 22 reimbursements collected by or on behalf of the insurance



1 division under title 24, except for the motor vehicle insurance
2 verification special fund (section -A), the commissioner's
3 education and training fund (section 431:2-214), the patients'
4 compensation fund (Act 232, Session Laws of Hawaii 1984), the
5 drivers education fund underwriters fee (sections 431:10C-115
6 and 431:10G-107), and the captive insurance administrative fund
7 (section 431:19-101.8) to the extent provided by section 431:19-
8 101.8(b), shall be deposited into the compliance resolution fund
9 under section 26-9(o). All sums transferred from the insurance
10 division into the compliance resolution fund may be expended by
11 the commissioner to carry out the commissioner's duties and
12 obligations under title 24."

13 SECTION 7. Section 431:10C-117, Hawaii Revised Statutes,
14 is amended by amending subsection (a) to read as follows:

15 "(a) (1) Any person subject to this article in the
16 capacity of the operator, owner, or registrant of a
17 motor vehicle operated in this State, or registered in
18 this State, who violates any applicable provision of
19 this article, shall be subject to citation for the
20 violation by any county police department in a form
21 and manner approved by the traffic violations bureau
22 of the district court of the first circuit;



1 (2) Notwithstanding any provision of the Hawaii Penal
2 Code:

3 (A) Each violation shall be deemed a separate offense
4 and shall be subject to a fine of not less than
5 ~~[\$100]~~ \$125 nor more than \$5,000 which shall not
6 be suspended [~~except as provided in subparagraph~~
7 ~~(B)~~]; and

8 (B) If the person is convicted of not having had a
9 motor vehicle insurance policy in effect at the
10 time the citation was issued, the fine shall be
11 \$500 for the first offense and a minimum of
12 \$1,500 for each subsequent offense that occurs
13 within a five-year period from any prior offense;
14 provided that the judge:

15 (i) Shall have the discretion [~~to suspend all or~~
16 ~~any portion of the fine if the defendant~~
17 ~~provides proof of having a current motor~~
18 ~~vehicle insurance policy; provided further~~
19 ~~that~~], upon the defendant's request, [~~the~~
20 ~~judge may~~] to grant community service in
21 lieu of the fine, of not less than seventy-
22 five hours and not more than one hundred



1 hours for the first offense, and not less
2 than two hundred hours nor more than two
3 hundred seventy-five hours for the second
4 offense; and

5 (ii) May grant community service in lieu of the
6 fine for subsequent offenses at the judge's
7 discretion;

8 (3) In addition to the fine in paragraph (2), the court
9 shall either:

10 (A) Suspend the driver's license of the driver or of
11 the registered owner for:

12 (i) Three months for the first conviction; and

13 (ii) One year for any subsequent offense within a
14 five-year period from a previous offense;

15 provided that the driver or the registered owner
16 shall not be required to obtain proof of

17 financial responsibility pursuant to section 287-
18 20; or

19 (B) Require the driver or the registered owner to
20 keep a nonrefundable motor vehicle insurance
21 policy in force for six months;



1 (4) Any person cited under this section shall have an
2 opportunity to present a good faith defense, including
3 but not limited to lack of knowledge or proof of
4 insurance. The general penalty provision of this
5 section shall not apply to:

6 (A) Any operator of a motor vehicle owned by another
7 person if the operator's own insurance covers
8 such driving;

9 (B) Any operator of a motor vehicle owned by that
10 person's employer during the normal scope of that
11 person's employment; or

12 (C) Any operator of a borrowed motor vehicle if the
13 operator holds a reasonable belief that the
14 subject vehicle is insured;

15 (5) In the case of multiple convictions for driving
16 without a valid motor vehicle insurance policy within
17 a five-year period from any prior offense, the court,
18 in addition to any other penalty, shall impose the
19 following penalties:

20 (A) Imprisonment of not more than thirty days;

21 (B) Suspension or revocation of the motor vehicle
22 registration plates of the vehicle involved;



1 (C) Impoundment, or impoundment and sale, of the
2 motor vehicle for the costs of storage and other
3 charges incident to seizure of the vehicle, or
4 any other cost involved pursuant to section
5 431:10C-301; or

6 (D) Any combination of those penalties; ~~and~~

7 (6) Any violation as provided in subsection (a)(2)(B)
8 shall not be deemed to be a traffic infraction as
9 defined by chapter 291D[-]; and

10 (7) The first \$25 of any fine imposed under this
11 subsection shall be deposited into the motor vehicle
12 insurance verification special fund, and the remaining
13 balance shall be deposited into the general fund."

14 PART III

15 SECTION 8. Section 286-26, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "**§286-26 Certificates of inspection.** (a) The following
18 vehicles shall be certified as provided in subsection (e) once
19 every year:

20 (1) Trucks, truck-tractors, semitrailers, and pole
21 trailers having a gross vehicle weight rating of more
22 than ~~[10,000]~~ ten thousand pounds;



1 (2) Buses;

2 (3) Rental or U-drive motor vehicles two years of age or
3 older; and

4 (4) Taxicabs.

5 Ambulances shall be certified as provided in subsection (e) once
6 every six months.

7 (b) All other vehicles, including motorcycles, trailers,
8 semitrailers, and pole trailers having a gross vehicle weight
9 rating of [~~10,000~~] ten thousand pounds or less, and antique
10 motor vehicles as defined in section 249-1, except those in
11 subsections (c) and (d), shall be certified as provided in
12 subsection (e) every twelve months; provided that any vehicle to
13 which this subsection applies shall not require inspection
14 within two years of the date on which the vehicle was first
15 sold.

16 (c) Any vehicle that has been involved in an accident
17 shall be certified as provided in subsection (e) before it is
18 operated again if:

19 (1) It is determined by a police officer or an insurer
20 that the vehicle's equipment has been damaged so as to
21 render the vehicle unsafe; or

22 (2) It is rebuilt or restored.



1 (d) Every vehicle shall be certified prior to the issuance
2 of a temporary or permanent registration by the director of
3 finance and prior to the transfer of any registration; provided
4 that this requirement shall not apply to a subsequent transfer
5 of registration in a vehicle that carries a current certificate
6 of inspection.

7 (e) Upon application for a certificate of inspection to be
8 issued for a vehicle, an inspection as prescribed by the
9 director under subsection (g) shall be conducted on the vehicle,
10 and if the vehicle is found to be in a safe operating condition,
11 a certificate of inspection shall be issued upon payment of a
12 fee to be determined by the director. [~~The certificate shall~~
13 ~~state the effective date, the termination date, the name of the~~
14 ~~issuing insurance carrier, and the policy number of the motor~~
15 ~~vehicle insurance identification card for the inspected motor~~
16 ~~vehicle as specified by section 431:10C 107 or state the~~
17 ~~information contained in the proof of insurance card as~~
18 ~~specified by section 431:10C 106.] A sticker, authorized by the
19 director, shall be affixed to the vehicle at the time a
20 certificate of inspection is issued. An inspection sticker
21 which has been lost, stolen, or destroyed shall be replaced
22 without reinspection by the inspection station that issued the~~



1 original inspection sticker upon presentation of the vehicle's
2 current certificate of inspection; provided that the current
3 certificate of inspection and inspection sticker shall not have
4 expired at the time the replacement is requested. The director
5 shall adopt rules to determine the fee for replacement of lost,
6 stolen, or destroyed inspection stickers.

7 (f) The operator of an official inspection station shall
8 pay, from the fee in subsection (e), an amount to be determined
9 by rules adopted pursuant to chapter 91 to the director of
10 transportation. This amount shall be expended only for
11 administration and enforcement of the periodic motor vehicle
12 inspection program. The funds collected pursuant to this
13 subsection shall be deposited into the highway special fund.

14 (g) The director of transportation shall adopt necessary
15 rules for the administration of inspections and the issuance of
16 certificates of inspection.

17 (h) This section shall not apply to:

18 (1) Any motor vehicle which is covered by part XI,
19 governing safety of motor carrier vehicle operation
20 and equipment; provided that the rules adopted
21 pursuant to part IA impose standards of inspection at
22 least as strict as those imposed under subsection (g)



1 and that certification is required at least as often
2 as provided in subsections (a), (b), (c), and (d); and

3 (2) Aircraft servicing vehicles that are being used
4 exclusively on lands set aside to the department of
5 transportation for airport purposes.

6 ~~[(i) As part of the inspection required by this section, the
7 owner of the vehicle to be inspected shall produce and display
8 the motor vehicle insurance identification card for the
9 inspected motor vehicle required by section 431:10C-107 or the
10 proof of insurance card required by section 431:10C-106. If no
11 card is displayed, then the sticker authorized by the director
12 shall not be affixed to the vehicle and the certificate of
13 inspection shall not be issued.]"~~

14 SECTION 9. Section 286-108, Hawaii Revised Statutes, is
15 amended by amending subsection (d) to read as follows:

16 "(d) As part of the examination required by this section,
17 ~~[the applicant for a driver's license shall produce and display
18 a valid motor vehicle or liability insurance identification card
19 for the motor vehicle required by sections 431:10C-107 and
20 431:10C-106, when the applicant demonstrates the ability to
21 operate a motor vehicle to the satisfaction of the examiner of
22 drivers. If no valid motor vehicle or liability insurance~~



1 ~~identification card is displayed, the examiner of drivers shall~~
2 ~~not issue a driver's license to the applicant.] the examiner of~~
3 drivers shall confirm that the vehicle to be used by the
4 applicant to demonstrate the ability to operate a motor vehicle
5 is insured via the motor vehicle insurance verification program
6 established under section -A. If the motor vehicle
7 insurance verification program indicates that the vehicle is not
8 insured, the examiner of drivers shall not permit the applicant
9 to use the uninsured vehicle to demonstrate the ability to
10 operate a motor vehicle."

11 SECTION 10. Section 431:10C-107, Hawaii Revised Statutes,
12 is amended to read as follows:

13 **"§431:10C-107 Verification of insurance: motor vehicles.**

14 (a) Every insurer shall issue to its insureds a motor vehicle
15 insurance identification card for each motor vehicle for which
16 the basic motor vehicle insurance coverage is written. The
17 identification card shall contain the following:

18 (1) Name of make and factory or serial number of the motor
19 vehicle; provided that insurers of five or more motor
20 vehicles which are under common registered ownership
21 and used in the regular course of business shall not



1 be required to indicate the name of make and the
2 factory or serial number of each motor vehicle;

3 (2) Policy number;

4 (3) Names of the insured and the insurer; and

5 (4) Effective dates of coverage including the expiration
6 date.

7 (b) The identification card shall be in the insured motor
8 vehicle at all times and shall be exhibited to a law enforcement
9 officer upon demand.

10 ~~[(c) The identification card shall be resistant to forgery~~
11 ~~by whatever means appropriate. The commissioner shall approve~~
12 ~~the construction, form, and design of the identification card to~~
13 ~~ensure that the card is forgery resistant.~~

14 ~~+(d)]~~ (c) The commissioner shall issue a certificate of
15 self-insurance periodically, as necessary, for use in each motor
16 vehicle insured under section 431:10C-105.

17 ~~[(e)]~~ (d) The identification card issued by an insurer shall
18 not be issued for a period exceeding the period for which
19 premiums have been paid or earned; provided that this subsection
20 shall apply only to the first application of a person for a
21 motor vehicle insurance policy and shall not apply to
22 applications for commercial vehicles and fleet vehicles."



1 SECTION 11. Section 805-13, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) Upon subsequent hearing ordered by the court or upon
4 the driver's or registered owner's motion, the court may, in its
5 discretion, terminate any judgment previously entered under
6 subsection (c) upon finding that the registered owner and the
7 driver, as applicable, have complied with chapter 287 with
8 respect to any prior accident as evidenced by a form properly
9 validated by a police department and:

- 10 (1) Complied with all requirements under chapter 431:10C
11 as evidenced by a motor vehicle insurance
12 identification card and the insurance policy issued by
13 a licensed insurer; or
14 (2) Complied with all requirements under chapter 431:10C
15 as evidenced by a certificate of self-insurance issued
16 by the insurance commissioner pursuant to section
17 ~~[431:10C-107(d).]~~ 431:10C-107(c)."

18 PART IV

19 SECTION 12. In codifying the new section added by section
20 2 of this Act, the revisor of statutes shall substitute an
21 appropriate section number for the letter used in designating
22 the new section in this Act.



1 SECTION 13. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 14. This Act shall take effect on July 1, 2050;
4 provided that:

5 (1) Part II shall take effect on January 1, 2014;

6 (2) Part III shall take effect on January 1, 2015;

7 (3) The amendments to sections 36-27(a) and 36-30(a),
8 Hawaii Revised Statutes, in sections 4 and 5 of this
9 Act shall not be repealed when sections 36-27 and 36-
10 30, Hawaii Revised Statutes, are reenacted on June 30,
11 2015, pursuant to section 34 of Act 79, Session Laws
12 of Hawaii 2009; provided that the amendments made to
13 sections 36-27(a) and 36-30(a), Hawaii Revised
14 Statutes, shall be repealed on June 30, 2020; and

15 (4) Sections 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, and 14
16 of this Act shall be repealed on June 30, 2020, and
17 sections 26-9(o), 286-26, 286-108(d), 431:2-215(a),
18 431:10C-107, 431:10C-117(a), and 805-13(d), Hawaii
19 Revised Statutes, shall be reenacted in the form in
20 which they read on the day before the effective date
21 of this Act.



Report Title:

Insurance Verification Working Group; Motor Vehicle Insurance; Uninsured Motorists; Department of Commerce and Consumer Affairs

Description:

Implements the recommendations of the motor vehicle insurance verification working group. Establishes a working group attached to DCCA to assist in development of requests for proposals and vendor selection for a motor vehicle insurance verification program. Establishes a special fund to develop and operate the motor vehicle insurance verification program. Removes duplicative and unnecessary requirements for insurance identification cards and safety inspection requirements. Removes judges' discretionary authority to suspend a fine for failure to have insurance if a defendant later obtains insurance. Effective July 1, 2050. Sunsets June 30, 2020. (SB495 HD2)

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

