

ACT 137

S. B. NO. 254

A Bill for an Act Relating to Certain Requirements of the Motor Vehicle Industry Licensing Act as Applied to Certain Business Dealing Principally in Motorcycles and Motor Scooters.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 437-21.1, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative. Each manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative engaged in the business of manufacturing, distributing, or selling new motor vehicles in this State shall furnish and maintain a surety bond in the penal sum of \$100,000 guaranteeing compliance by the principal with this chapter and the rules and regulations enacted thereunder and protecting the treasurer, the dealers, and the general public from any loss or damage resulting from the violation of any provision of this chapter or any rule or regulation enacted thereunder; provided that a factory branch, factory representative, distributor, distributor representative need not furnish separate bonds if the manufacturer or distributor it represents has filed the bond required hereunder and the factory branch, factory representative, distributor, distributor branch, or distributor representative is named as a principal therein; and provided further that for a factory branch, factory representative, distributor, distributor branch, or distributor representative licensed under this chapter with respect to the business of dealing only with motorcycles and motor scooters and which is not named as a principal by the manufacturer or distributor it represents, the bond shall be only in the amount of \$10,000.

Suit on bonds shall be allowed under the same terms and conditions provided for a dealer’s bond in section 437-17(d). Nothing contained in this section shall prohibit or prevent an independent action against the licensee in violation as aforesaid and any other person from being joined or consolidated with an action on the bond and the recovery of a larger amount than the amount of the bond.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need

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not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect upon its approval.

(Approved May 28, 1971.)

* Edited accordingly.