

ACT 297

H.B. NO. 558

A Bill for an Act Relating to Motor Vehicle Accident Reparations.

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

SECTION 1. Section 294-30, Hawaii Revised Statutes, is amended to read as follows:

“§294-30 Claimant’s attorney’s fees. (a) A person making a claim for no-fault benefits may be allowed an award of a reasonable sum for attorney’s [fee] fees, [based upon actual time expended, which shall be treated separately from the claim and be paid directly by the insurer to the attorney,] and [all] reasonable costs of suit in an action brought by or against an insurer who denies all or part of a claim for benefits under the policy, unless the court or the commissioner, upon judicial or administrative proceedings, respectively, determines that the claim was fraudulent, excessive, or frivolous. Reasonable attorney’s fees, based upon actual time expended, shall be treated separately from the claim and be paid directly by the insurer to the attorney.

(b) A person who has effected a tort recovery, whether by suit or settlement, and who is sued by the insurer to recover fifty per cent of the no-fault benefits paid, may be allowed reasonable attorney’s fees and reasonable costs of suit.

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[(b)] (c) A person suing in tort, as permitted under this chapter, may enter into any arrangement with an attorney.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved June 12, 1985.)