

## ACT 287

S.B. NO. 1395

A Bill for an Act Relating to No-Fault Insurance.

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

SECTION 1. Section 294-12.6, Hawaii Revised Statutes, is amended to read as follows:

**“§294-12.6 Motorcycles and motor scooters excluded from chapter. (a)** All motorcycles and motor scooters required to be registered under chapter 286 shall be exempt from chapter 294; provided that:

- (1) No person shall drive a motorcycle or motor scooter upon any public street, road, or highway of this State at any time unless such vehicle is insured at all times under a liability insurance policy as provided in this section; and
- [(2) In the case of accidental harm arising out of a motorcycle or motor scooter accident to any passenger of such motorcycle or motor scooter, or any pedestrian, motorcycles and motor scooters shall not be exempt from sections 294-4, 294-6, and 294-10;
- (3)] (2) In the case of accidental harm arising out of an accident involving a motorcycle or motor scooter and a motor vehicle, the owner or operator of a motorcycle or motor scooter shall not be exempt from section 294-6.

(b) The insurance policy required under this section shall provide insurance to pay on behalf of the owner or any operator of the insured vehicle sums which the owner or operator may legally be obligated to pay for injury, death, or damage to the property of others, except property owned by, being transported by, or in the charge of the insured which arise out of the ownership, operation, maintenance, or use of the vehicle:

- (1) Liability coverage of not less than [\$25,000], \$35,000 for all damages arising out of accidental harm sustained by any one person as a result of any one accident applicable to each person sustaining accidental harm; and
- (2) Liability coverage of not less than \$10,000 for all damages arising out of injury to or destruction of property including motor vehicles and including the loss of use thereof, but not

including property owned by, being transported by, or in the charge of the insured, as a result of any one accident.

(c) At the option of the owner, each insurer shall:

- (1) Offer medical payment coverage up to \$15,000 to pay all reasonable expenses incurred within one year from the date of accident for necessary medical, surgical, and dental services, and necessary ambulance, hospital, professional nursing, and funeral services; [and]
- (2) Offer an income disability plan[.]; and
- (3) Offer liability coverage in excess of the minimum coverages required by subsection (b).

(d) Any person seeking to obtain the liability coverage required by this section after January 1, 1988 shall first:

- (1) Have obtained a valid motorcycle or motor scooter license; or
- (2) Have obtained a valid motorcycle or motor scooter learner's permit and have taken and passed a motorcycle education course approved by the department of transportation.

(e) All insurers of any motorcycle or motor scooter shall provide a fifteen per cent reduction off premium charges each insurer assesses for each new and renewal policy for liability coverage issued pursuant to this section if the applicant has successfully completed a motorcycle education course approved by the department of transportation as provided in subsection (d).

[(d)] (f) Every insurer shall issue to its insureds, for each motorcycle or motor scooter for which a liability policy under this section is written, a proof of insurance card showing the name, make, year, and factory or serial number of the motorcycle or motor scooter, policy number, names of the insured and the insurer, and the effective dates of coverage including the expiration date; provided that insurers of five or more motorcycles or motor scooters which are under common registered ownership and used in the regular course of business shall not be required to indicate the name, make, year, and the factory or serial number of each motorcycle or motor scooter. The proof of insurance card shall be carried on the person operating the insured motorcycle or motor scooter or in the insured motorcycle or motor scooter at all times and shall be exhibited to a law enforcement officer upon demand.

[(e)] (g) Any person who violates this section shall be subject to a citation by the police and shall be subject to a nonsuspendable fine of not less than \$100, or more than \$1,000, or thirty days imprisonment, or a one-year driver's license suspension or any combination thereof, for each violation."

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 25, 1987.)