

ACT 120

S.B. NO. 2871

A Bill for an Act Relating to Motor Vehicle Safety Responsibility.

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

SECTION 1. Section 287-36, Hawaii Revised Statutes, is amended to read as follows:

“§287-36 Money or [securities] bonds as proof. (a) Proof of financial responsibility may be evidenced by the certificate of the [state director of finance] administrator that the person named therein has deposited with the [state director of finance] administrator \$25,000 in cash[, or securities such as may legally be purchased for investment by insurance companies organized under chapter 431 of a market value of \$25,000:] or bonds. The [state director of finance] administrator shall not accept any such deposit and issue a certificate therefor [and the administrator shall not accept the certificate] unless accompanied by evidence that there are no unsatisfied judgments of any character against the depositor in the county where the depositor resides.

(b) The deposit shall be held by the [director] administrator to satisfy, in

accordance with this chapter any execution on a judgment issued against such person making the deposit, for damages, including damages for care and loss of services, because of bodily injury¹ or death of any person, or for damages because of injury to or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, use, or operation of a motor vehicle after the deposit was made. Money or [securities] bonds so deposited shall not be subject to attachment or execution unless the attachment or execution arises out of a suit for damages as aforesaid.”

SECTION 2. Section 287-38, Hawaii Revised Statutes, is amended to read as follows:

“**§287-38 Substitution of proof.** The administrator shall consent to the cancellation of any bond or certificate of insurance or the administrator [shall direct and the state director of finance] shall return any money or securities² to the person entitled thereto upon the substitution and acceptance of other adequate proof of financial responsibility pursuant to this chapter.”

SECTION 3. Section 287-40, Hawaii Revised Statutes, is amended to read as follows:

“**§287-40 Duration of proof,³ when proof may be cancelled or returned.** The administrator shall upon request consent to the immediate cancellation of any bond or certificate of insurance, or the administrator [shall direct and the state director of finance] shall return to the person entitled thereto any money or [securities] bonds deposited pursuant to this chapter as proof of financial responsibility, or the administrator shall waive the requirement of filing proof, in any of the following events:

- (1) At any time after three years from the date the proof was required when, during the three-year period preceding the request, the administrator has not received record of a conviction which would require or permit the suspension or revocation of the license or nonresident’s operating privilege of the person by or for whom the proof was furnished;
- (2) In the event of⁴ the person on whose behalf the proof was filed or the permanent incapacity of the person to operate a motor vehicle;
- (3) In the event the person who has given proof surrenders the person’s license to the administrator;

Provided, that the administrator shall not consent to the cancellation of any bond or the return of any money or [securities] bonds in the event any action for damages upon a liability covered by the proof is then pending or any judgment upon any such liability is then unsatisfied, or in the event the person who has filed the bond or deposited the money or [securities,] bonds, has, within one year immediately preceding the request been involved as a driver or owner in any motor vehicle accident resulting in injury or damage to the person or property of others. An affidavit of the applicant as to the nonexistence of such facts, or that the applicant has been released from all of the applicant’s liability, or has been finally adjudicated not to be liable, for such injury or damage, shall be sufficient evidence thereof in the absence of evidence to the contrary in the records of the administrator.

Whenever any person whose proof has been canceled or returned under [subdivision] paragraph (3) of this section applies for a license or registration within a period of three years from the date proof was originally required, any

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such application shall be refused unless the applicant reestablishes the proof for the remainder of the three-year period.”

SECTION 4. Section 287-48, Hawaii Revised Statutes, is amended to read as follows:

“§287-48 Application of chapter to suspensions and revocations prior to January 1, 1950. Notwithstanding any provision herein to the contrary, the administrators of the several counties may accept the prescribed proof of financial responsibility from any person whose license has been suspended or revoked on account of a conviction based on an offense occurring prior to January 1, 1950, and who now applies for the issuance of a license. Upon acceptance of such proof, the duration, cancellation, or return thereof shall be governed by section 287-40.

The administrators may also waive the requirement of furnishing such proof if the person mentioned in the preceding paragraph, for a period of three years prior to the person’s application for a license, has not been convicted of any additional offense or offenses which would require or permit the suspension or revocation of a license.

[The duration, cancellation, or return of any proof of financial responsibility filed and maintained with the state director of finance prior to January 1, 1950, shall be governed by section 287-40.]”

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved May 27, 1992.)

Notes

1. Prior to amendment “to” appeared here.
2. So in original.
3. Prior to amendment “;” appeared here.
4. Prior to amendment “the death of” appeared here.