

ACT 195

H.B. NO. 154

A Bill for an Act Relating to Service Contracts.

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

SECTION 1. Section 481X-2, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read:

““Road hazard” means a hazard that is encountered while driving a motor vehicle, which may include but not be limited to potholes, rocks, wood debris, metal parts, glass, plastic, curbs, or composite scraps.”

2. By amending the definition of “service contract” to read:

““Service contract” means a contract or agreement for a separately stated consideration and a specific duration[-; to].

(1) To perform or indemnify the repair, replacement, or maintenance of property for operational or structural failure due either to a defect in materials or artisanship, or to normal wear and tear, with or without additional provision for incidental payment or indemnity under limited circumstances, including but not limited to towing, rental, and emergency road service[-]; or

(2) For performance of one or more of the following services:

(A) The repair or replacement of tires or wheels on a motor vehicle damaged as a result of coming into contact with a road hazard;

(B) The removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint finish and without replacing vehicle body panels, sanding, bonding, or painting;

(C) The repair of chips or cracks in a motor vehicle windshield or the replacement of a motor vehicle windshield as a result of damage caused by a road hazard;

(D) The replacement of a motor vehicle key or key-fob in the event that the key or key-fob becomes inoperable, lost, or stolen; or

(E) Other services which may be approved by the commissioner, if not inconsistent with other provisions of this chapter.

Service contracts may provide for the repair, replacement, or maintenance of property damaged by power surges, or accidentally damaged during handling.”

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 Statutory material to be repealed is bracketed and stricken.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

SECTION 3. This Act shall take effect on July 1, 2019; provided that section 1 shall take effect on July 1, 2020.

(Approved July 2, 2019.)