

JAN 20 2023

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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 431:10C-117, Hawaii Revised Statutes,  
2 is amended by amending subsection (a) to read as follows:  
3       "(a) (1) Any person subject to this article in the capacity of  
4           the operator, owner, or registrant of a motor vehicle  
5           operated in this State, or registered in this State,  
6           who violates any applicable provision of this article,  
7           shall be subject to citation for the violation by any  
8           county police department in a form and manner approved  
9           by the traffic and emergency period violations bureau  
10          of the district court of the first circuit;  
11       (2) Notwithstanding any provision of the Hawaii Penal  
12          Code:  
13           (A) Each violation shall be deemed a separate offense  
14           and shall be subject to a fine of no less than  
15           ~~[\$100]~~ \$ \_\_\_\_\_ nor more than ~~[\$5,000]~~  
16           \$ \_\_\_\_\_, which shall not be suspended except  
17           as provided in subparagraph (B); and



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1 (B) If the person is convicted of not having had a  
2 motor vehicle insurance policy in effect at the  
3 time the citation was issued, the fine shall be  
4 [~~\$500~~] \$ \_\_\_\_\_ for the first offense and a  
5 minimum of [~~\$1,500~~] \$ \_\_\_\_\_ for each  
6 subsequent offense that occurs within a five-year  
7 period from any prior offense; provided that the  
8 court:

9 (i) Shall have the discretion to suspend all or  
10 any portion of the fine if the defendant  
11 provides proof of having a current motor  
12 vehicle insurance policy; provided further  
13 that upon the defendant's request, the court  
14 may grant community service in lieu of the  
15 fine, of no less than seventy-five hours and  
16 no more than one hundred hours for the first  
17 offense, and no less than two hundred hours  
18 nor more than two hundred seventy-five hours  
19 for the second offense; and



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1                   (ii) May grant community service in lieu of the  
2                   fine for subsequent offenses at the court's  
3                   discretion;

4           (3) In addition to the fine in paragraph (2), the court  
5           shall either:

6           (A) Suspend the driver's license of the driver or of  
7           the registered owner for:

8                   (i) Three months for the first conviction; and

9                   (ii) One year for any subsequent offense within a  
10           five-year period from a previous offense;

11           provided that the driver or the registered owner  
12           shall not be required to obtain proof of  
13           financial responsibility pursuant to section  
14           287-20; or

15           (B) Require the driver or the registered owner to  
16           keep a nonrefundable motor vehicle insurance  
17           policy in force for six months;

18           (4) Any person subject to a fine under this section and  
19           who fails to timely pay the fine shall be given an  
20           opportunity to petition the court to demonstrate that  
21           the person's nonpayment or inability to pay is not



1 wilful; provided that if the person petitions the  
2 court, the court shall make an individualized  
3 assessment of the person's ability to pay based upon  
4 the totality of the circumstances, including the  
5 person's disposable income, financial obligations, and  
6 liquid assets; provided further that if the court  
7 determines that the person's nonpayment or inability  
8 to pay is not wilful, the court may enter an order  
9 that allows additional time for payment; reduces the  
10 amount of each installment; revokes the fee or fine,  
11 or unpaid portion thereof, in whole or in part; or  
12 converts any outstanding fine to community service;

13 (5) Any person cited under this section shall have an  
14 opportunity to present a good faith defense, including  
15 lack of knowledge or proof of insurance; provided that  
16 the general penalty provision of this section shall  
17 not apply to:

18 (A) Any operator of a motor vehicle owned by another  
19 person if the operator's own insurance covers  
20 such driving;



- 1 (B) Any operator of a motor vehicle owned by that
- 2 person's employer during the normal scope of that
- 3 person's employment; or
- 4 (C) Any operator of a borrowed motor vehicle if the
- 5 operator holds a reasonable belief that the
- 6 subject vehicle is insured;
- 7 (6) In the case of multiple convictions for driving
- 8 without a valid motor vehicle insurance policy within
- 9 a five-year period from any prior offense, the court,
- 10 in addition to any other penalty, shall impose the
- 11 following penalties:
- 12 (A) Imprisonment of no more than thirty days;
- 13 (B) Suspension or revocation of the motor vehicle
- 14 registration plates of the vehicle involved;
- 15 (C) Impoundment, or impoundment and sale, of the
- 16 motor vehicle for the costs of storage and other
- 17 charges incident to seizure of the vehicle, or
- 18 any other cost involved pursuant to section
- 19 431:10C-301; or
- 20 (D) Any combination of those penalties; and



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1           (7) Any violation as provided in paragraph (2)(B) shall  
2           not be deemed to be a traffic infraction as defined by  
3           chapter 291D."

4           SECTION 2. This Act does not affect rights and duties that  
5           matured, penalties that were incurred, and proceedings that were  
6           begun before its effective date.

7           SECTION 3. Statutory material to be repealed is bracketed  
8           and stricken. New statutory material is underscored.

9           SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: 



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**Report Title:**

Motor Vehicle Insurance; Fines

**Description:**

Increases the fines for violating motor vehicle insurance requirements.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

