JAN 1 7 2025

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

1	SECT	ION 1	. Section 431:10C-117, Hawaii Revised Statutes,		
2	is amende	d by	amending subsection (a) to read as follows:		
3	"(a)	(1)	Any person subject to this article in the		
4	capacity	of th	e operator, owner, or registrant of a motor		
5	vehicle operated in this State, or registered in this State, who				
6	violates any applicable provision of this article, shall be				
7	subject to citation for the violation by any county police				
8	department in a form and manner approved by the traffic and				
9	emergency period violations bureau of the district court of the				
10	first cir	cuit;			
11	(2)	Notw	ithstanding 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 not less than		
15			\$100 nor more than \$5,000 which shall not be		
16			suspended except as provided in subparagraph (B);		
17			and		

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 minimum of
5	\$2,000 for each subsequent offense that occurs
6	within a five-year period from any prior offense;
7	provided that the court:
8	(i) Shall have the discretion to suspend all or
9	any portion of the fine if the defendant
10	provides proof of having a current motor
11	vehicle insurance policy; [provided further
12	that upon]
13	(ii) 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 not less than two hundred hours
18	nor more than two hundred seventy-five hours
19	for the second offense; [and]

1		[(ii)] <u>(i</u> :	ii) May grant community service in lieu of
2			the fine for subsequent offenses at the
3			court's discretion; and
4		(iv)	Shall, in addition to the fine imposed by
5			this subparagraph, suspend the driver's
6			license of the driver or of the registered
7			owner for six months for the first
8			conviction and two years for any subsequent
9			offense within a five-year period from a
10			previous offense; provided that the driver
11			or the registered owner shall not be
12			required to obtain proof of financial
13			responsibility pursuant to section 287-20;
14	(3)	In addition	on to the fine in paragraph $[\frac{(2)}{7}]$ (2)(A),
15		the court	shall either:
16		(A) Suspe	end the driver's license of the driver or of
17		the 1	registered owner for:
18		(i)	Three months for the first conviction; and
19		(ii)	One year for any subsequent offense within a
20			five-year period from a previous offense;

1	provided that the driver or the registered owner
2	shall not be required to obtain proof of
3	financial responsibility pursuant to section
4	287-20; or

- (B) Require the driver or the registered owner to keep a nonrefundable motor vehicle insurance policy in force for six months;
- (4) Any person subject to a fine under this section and who fails to timely pay the fine shall be given an opportunity to petition the court to demonstrate that the person's nonpayment or inability to pay is not wilful; provided that if the person petitions the court, the court shall make an individualized assessment of the person's ability to pay based upon the totality of the circumstances, including the person's disposable income, financial obligations, and liquid assets; provided further that if the court determines that the person's nonpayment or inability to pay is not wilful, the court may enter an order that allows additional time for payment; reduces the amount of each installment; revokes the fee or fine,

1		or unpaid portion thereof, in whole or in part; or
2		converts any outstanding fine to community service;
3	(5)	Any person cited under this section shall have an
4		opportunity to present a good faith defense, including
5		lack of knowledge or proof of insurance; provided that
6		the general penalty provision of this section shall
7		not apply to:
8		(A) Any operator of a motor vehicle owned by another
9		person if the operator's own insurance covers
10		such driving;
11		(B) Any operator of a motor vehicle owned by that
12		person's employer during the normal scope of that
13		person's employment; or
14		(C) Any operator of a borrowed motor vehicle if the
15		operator holds a reasonable belief that the
16		subject vehicle is insured;
17	(6)	In the case of multiple convictions for driving
18		without a valid motor vehicle insurance policy within
19		a five-year period from any prior offense, the court,
20		in addition to any other penalty, shall impose the

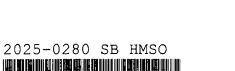
following penalties:

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1	(A)	Imprisonment of no more than thirty days;
2	(B)	Suspension or revocation of the motor vehicle
3		registration plates of the vehicle involved;
4	(C)	Impoundment, or impoundment and sale, of the
5		motor vehicle for the costs of storage and other
6		charges incident to seizure of the vehicle, or
7		any other cost involved pursuant to section
8		431:10C-301; or
9	(D)	Any combination of those penalties; and
10	(7) Any	violation as provided in paragraph (2)(B) shall
11	not	be deemed to be a traffic infraction as defined by
12	chap	ter 291D."
13	SECTION 2	. This Act does not affect rights and duties that
14	matured, penal	ties that were incurred, and proceedings that were
15	begun before i	ts effective date.
16	SECTION 3	. Statutory material to be repealed is bracketed
17	and stricken.	New statutory material is underscored.
18	SECTION 4	. This Act shall take effect on July 1, 2025.

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INTRODUCED BY:



Report Title:

Motor Vehicle Insurance; Suspension; Driver's License; Penalty

Description:

Makes mandatory the suspension of the driver's license of a driver or registered owner of a vehicle for operating a motor vehicle without a motor vehicle insurance policy.

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2025-0280 SB HMSO