A BILL FOR AN ACT

RELATING TO TRAFFIC INFRACTIONS.

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

- 1 SECTION 1. The legislature finds that the primary purpose
- 2 of Act 214, Session Laws of Hawaii 1993, was to improve the
- 3 system by which traffic offenses are processed to dispose
- 4 expeditiously of these cases and thereby achieve efficient and
- 5 effective use of limited judicial and law enforcement resources.
- 6 At the same time, Act 214 was designed to minimize the time
- 7 motorists would spend in court by permitting them, in most
- 8 instances, to resolve their cases by mail.
- 9 The legislature also finds that Act 214 made most traffic
- 10 offenses civil in nature and, as a result, courts do not issue
- 11 arrest warrants when a motorist initially fails to pay a fine or
- 12 other assessment. Instead, the court orders judgment for the
- 13 State and places a "stopper" on the driver's license or vehicle
- 14 registration until the outstanding fines or assessments are
- 15 paid. This procedure is designed to ensure that outstanding
- 16 fines are paid before a person renews a driver's license or
- 17 motor vehicle registration or transfers the motor vehicle. In

- 1 this way, fines are collected with minimum consumption of court
- 2 resources.
- 3 The legislature further finds that "stoppers" on drivers'
- 4 licenses for moving violations were authorized by section 291D-
- 5 10(a), Hawaii Revised Statutes, while "stoppers" on vehicle
- 6 registrations and transfers for parking violations were
- 7 authorized by section 291D-10(b), Hawaii Revised Statutes. The
- 8 reason that "stoppers" linked moving violations with driver's
- 9 licenses, on the one hand, and parking violations with vehicle
- 10 registrations and transfers, on the other, was that the driver's
- 11 license and vehicle registration databases could not be cross-
- 12 referenced at the time. As a result, a "stopper" for failure to
- 13 pay a parking violation could not be placed on the driver's
- 14 license of the vehicle owner and instead had to be placed on the
- 15 vehicle itself.
- 16 The legislature further finds that amendments made to
- 17 section 291D-10, Hawaii Revised Statutes, by Act 48, Session
- 18 Laws of Hawaii 2005, expanded the class of outstanding monetary
- 19 assessments for which a "stopper" could be imposed. Thereafter,
- 20 the judiciary began to enforce a policy that effectively made
- 21 the purchaser of a used vehicle liable not only for outstanding
- 22 citations on the vehicle but for any related fees that may have

- 1 been imposed on the previous owner of the vehicle for the
- previous owner's failure to pay the fines. As a result,
- 3 purchasers of used vehicles have been unable to perfect the
- 4 transfer without having to arrange payment of fees of which they
- 5 had no knowledge at the time of the sale.
- 6 While the legislature finds that encumbering property with
- 7 a lien for sums due to the government is not a new practice, the
- 8 manner in which the judiciary has enforced section 291D-10,
- 9 Hawaii Revised Statutes, has imposed undue hardship on consumers
- 10 and stands to impede commerce dealing with used vehicles. For
- 11 one thing, the judiciary's information system has not been, and
- 12 may never be, able to give real-time information on outstanding
- 13 parking violations for a particular vehicle. For another,
- 14 holding a good faith purchaser liable for fees that relate not
- 15 to the parking citation itself but to the previous owner's
- 16 failure to pay the citation is manifestly unfair.
- 17 The purpose of this Act is to promote fairness to consumers
- 18 and remove impediments to commerce dealing with used vehicles by
- 19 ensuring that parking citations and any fees incurred for
- 20 failure to pay them remain the responsibility of the person who
- 21 owned the vehicle at the time the citation was issued.

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SECTION 2. Section 291D-10, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "§291D-10 Restriction on driver's license and motor
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    vehicle registration. (a) When the person issued a notice of
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    traffic infraction not involving parking fails to pay the total
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    amount of fines, fees, surcharges, costs, or monetary
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    assessments that has been ordered, the court shall cause an
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    entry to be made in the driver's license record so as to prevent
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    the person from acquiring or renewing the person's driver's
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    license until the outstanding amount is paid or the notice of
    traffic infraction is otherwise disposed of pursuant to this
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    chapter.
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         (b)
              [In all cases where] When the registered owner of a
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    motor vehicle to which a notice of traffic infraction has been
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    issued fails to pay the total amount of fines, fees, surcharges,
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    costs, or monetary assessments that have been ordered, the court
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    shall cause an entry to be made in the motor vehicle's record so
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    as to prevent [issuance or] renewal of the motor vehicle's
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    certificate of registration [and transfer of title to the motor
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    vehicle until the outstanding amount is paid or the notice of
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    traffic infraction is otherwise disposed of pursuant to this
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    chapter.] by the person who was the registered owner of the
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- 1 vehicle at the time the notice of traffic infraction was issued.
- 2 The court may also cause an entry to be made in the person's
- 3 driver's license record so as to prevent the person from
- 4 acquiring or renewing the person's driver's license until the
- 5 outstanding assessment is paid or the notice of traffic
- 6 infraction is otherwise disposed of pursuant to this chapter.
- 7 (c) The registered owner of a motor vehicle to which a
- 8 notice of traffic infraction was issued shall remain responsible
- 9 for the total amount of fines, fees, surcharges, costs, or
- 10 monetary assessments imposed for a notice of traffic infraction
- 11 issued while the person was the registered owner, even if the
- 12 person thereafter transfers the vehicle or the vehicle is
- 13 repossessed by a lien holder noted on the vehicle's certificate
- 14 of title. The transferee or repossessing lien holder shall not
- 15 be responsible for any fines, fees, surcharges, costs, or
- 16 monetary assessments imposed for a notice of traffic infraction
- 17 issued before the transferee or repossessing lien holder became
- 18 the registered owner of the vehicle."
- 19 SECTION 3. Statutory material to be repealed is bracketed
- 20 and stricken. New statutory material is underscored.
- 21 SECTION 4. This Act shall take effect upon its approval.

HB 1825 HD1

Report Title:

Motor Vehicles; Transfer; Unpaid Assessments

Description:

Amends section 291D-10, HRS, so that unpaid parking citations remain the responsibility of the person who owned the vehicle at the time the citation was issued, even if the vehicle is later transferred or repossessed by a lien holder. Permits the driver's license of the person who was the registered owner at the time the citation was issued to be restricted until outstanding assessments are paid. (HB1825 HD1)