

JAN 22 2016

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

1 SECTION 1. The legislature finds that many motor vehicle
2 insurance companies offer insurance documents through
3 applications on mobile electronic devices. This electronic
4 proof of coverage gives drivers a convenient, paperless way to
5 display up-to-date insurance information.

6 The legislature further finds that more states are
7 recognizing the widespread use of mobile technology and updating
8 motor vehicle insurance laws accordingly. Currently, thirty-
9 seven states permit drivers to use an electronic copy of their
10 insurance card as valid proof of insurance. The acceptance of
11 this technology has grown rapidly since March 2012, when Idaho
12 became the first state in the country to accept electronic motor
13 vehicle insurance cards.

14 The legislature concludes that owners and drivers of motor
15 vehicles in Hawaii should also be provided with electronic
16 options for proof of insurance.



1 Accordingly, the purpose of this Act is to allow proof of
2 motor vehicle insurance to be displayed in electronic format on
3 a mobile electronic device.

4 SECTION 2. Section 286-26, Hawaii Revised Statutes, is
5 amended by amending subsection (i) to read as follows:

6 "(i) As part of the inspection required by this section,
7 the owner of the vehicle to be inspected shall produce and
8 display the motor vehicle insurance identification card for the
9 inspected motor vehicle required by section 431:10C-107 or the
10 proof of insurance card required by section 431:10G-106.

11 The owner of the vehicle may display the motor vehicle
12 insurance identification card or the proof of insurance card in
13 electronic format on a mobile electronic device, as defined in
14 section 291C-137.

15 If no card is displayed, then the sticker authorized by the
16 director shall not be affixed to the vehicle and the certificate
17 of inspection shall not be issued."

18 SECTION 3. Section 286-108, Hawaii Revised Statutes, is
19 amended by amending subsection (d) to read as follows:

20 "(d) As part of the examination required by this section,
21 the applicant for a driver's license shall produce and display a



1 valid motor vehicle or liability insurance identification card
2 for the motor vehicle required by sections 431:10C-107 and
3 431:10G-106, when the applicant demonstrates the ability to
4 operate a motor vehicle to the satisfaction of the examiner of
5 drivers.

6 The applicant may display the motor vehicle or liability
7 insurance identification card in electronic format on a mobile
8 electronic device, as defined in section 291C-137.

9 If no valid motor vehicle or liability insurance
10 identification card is displayed, the examiner of drivers shall
11 not issue a driver's license to the applicant."

12 SECTION 4. Section 286-116, Hawaii Revised Statutes, is
13 amended by amending subsection (a) to read as follows:

14 "(a) Every licensee shall have a valid driver's license in
15 the licensee's immediate possession at all times, and a valid
16 motor vehicle or liability insurance identification card
17 applicable to the motor vehicle operated as required under
18 section 431:10C-107 and section 431:10G-106, when operating a
19 motor vehicle, and shall display the same upon demand of a
20 police officer. Every police officer or law enforcement officer
21 when stopping a vehicle or inspecting a vehicle for any reason



1 shall demand that the driver or owner display the driver's or
2 owner's driver's license and insurance identification card.

3 Upon demand, the driver or owner may display the driver's
4 or owner's insurance identification card in electronic format on
5 a mobile electronic device, as defined in section 291C-137. For
6 the purposes of this section, when a person uses a mobile
7 electronic device to display an insurance identification card to
8 a police officer or law enforcement officer, the officer may
9 only view the insurance identification card and is otherwise
10 prohibited from viewing any other content on the mobile
11 electronic device. Whenever a person presents a mobile
12 electronic device pursuant to this section, that person assumes
13 all liability for any damage to the mobile electronic device.

14 No person charged with violating this section shall be
15 convicted if the person produces in court, or proves from the
16 proper official or other records that the person was the holder
17 of a driver's license or a motor vehicle or liability insurance
18 identification card and policy conforming to article 10C and
19 article 10G of chapter 431 or a certificate of self-insurance
20 issued by the insurance commissioner pursuant to section



1 431:10C-107 and section 431:10G-103, theretofore issued to the
2 person and valid at the time of the person's arrest."

3 SECTION 5. Section 431:10C-107, Hawaii Revised Statutes,
4 is amended by amending subsections (b) and (c) to read as
5 follows:

6 "(b) The identification card shall be in the insured motor
7 vehicle or carried by the operator of the insured motor vehicle
8 at all times and shall be exhibited to a law enforcement officer
9 upon demand.

10 (c) The identification card may be issued in either paper
11 or electronic format; provided that the identification card
12 shall be resistant to forgery by whatever means appropriate.
13 Acceptable electronic formats shall include the display of
14 electronic images on a mobile electronic device, as defined in
15 section 291C-137. The commissioner shall approve the
16 construction, form, and design of the identification card to
17 ensure that the card is forgery resistant."

18 SECTION 6. Section 431:10G-106, Hawaii Revised Statutes,
19 is amended to read as follows:

20 "\$431:10G-106 Verification of insurance. Every insurer
21 shall issue to each of its insureds a proof of insurance card



1 for each motorcycle or motor scooter for which a liability
2 policy under this article is written. The proof of insurance
3 card may be issued in either paper or electronic format.
4 Acceptable electronic formats shall include the display of
5 electronic images on a mobile electronic device, as defined in
6 section 291C-137. The proof of insurance card shall show the
7 following:

- 8 (1) Name, make, year, and factory or serial number of the
9 motorcycle or motor scooter; provided that insurers of
10 five or more motorcycles or motor scooters that are
11 under common registered ownership and used in the
12 regular course of business shall not be required to
13 indicate the name, make, year, and the factory or
14 serial number of each motorcycle or motor scooter;
15 (2) Policy number;
16 (3) Names of the insured and the insurer; and
17 (4) Effective dates of coverage including the expiration
18 date.

19 The proof of insurance card shall be carried on the person
20 operating the insured motorcycle or motor scooter at all times



1 and shall be exhibited to a law enforcement officer upon
2 demand."

3 SECTION 7. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 8. New statutory material is underscored.

7 SECTION 9. This Act shall take effect on July 1, 2016.
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S.B. NO. 2685

Report Title:

Motor Vehicle Insurance; Electronic Proof of Insurance; Mobile Electronic Device

Description:

Allows proof of motor vehicle insurance to be displayed in electronic format on a mobile electronic device.

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