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## A BILL FOR AN ACT

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RELATING TO MOTOR VEHICLE INSURANCE.

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

1       SECTION 1. Chapter 431, Hawaii Revised Statutes, is  
2 amended by adding a new section to part I of article 10C to be  
3 appropriately designated and to read as follows:

4       "§431:10C-       Additional penalties; uninsured motorist;  
5 license suspension; vehicle impoundment. In addition to the  
6 fine imposed under section 431:10C-117(a) (2) (B), a person who is  
7 convicted of not having had a motor vehicle insurance policy in  
8 effect at the time a citation for the violation was issued by a  
9 county police department, the court shall order:

10       (1) The suspension of the person's driver's license under  
11 section 431:10C-117(a) (3) (A) for the time period  
12 specified in that section; and

13       (2) The impoundment of the motor vehicle until the driver  
14 or the registered owner provides proof to the court of  
15 having obtained a nonrefundable motor vehicle  
16 insurance policy to be in force for at least six  
17 months; provided that the costs of the impoundment



1       shall be borne by the registered owner of the motor  
2       vehicle; provided further that the vehicle shall not  
3       be returned to the owner until all expenses related to  
4       the impoundment have been paid."

5       SECTION 2. Section 431:10C-117, Hawaii Revised Statutes,  
6 is amended by amending subsection (a) to read as follows:

7       "(a) (1) Any person subject to this article in the  
8       capacity of the operator, owner, or registrant of a  
9       motor vehicle operated in this State, or registered in  
10      this State, who violates any applicable provision of  
11      this article, shall be subject to citation for the  
12      violation by any county police department in a form  
13      and manner approved by the traffic violations bureau  
14      of the district court of the first circuit;

15      (2) Notwithstanding any provision of the Hawaii Penal  
16      Code:

17      (A) Each violation shall be deemed a separate offense  
18      and shall be subject to a fine of not less than  
19      \$100 nor more than \$5,000 which shall not be  
20      suspended except as provided in subparagraph (B);  
21      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 \$1,500 for each subsequent offense that occurs  
6 within a five-year period from any prior offense;  
7 provided that the judge:

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 the defendant's request, the judge  
13 may grant community service in lieu of the  
14 fine, of not less than seventy-five hours  
15 and not more than one hundred hours for the  
16 first offense, and not less than two hundred  
17 hours nor more than two hundred seventy-five  
18 hours for the second offense; and

19 (ii) May grant community service in lieu of the  
20 fine for subsequent offenses at the judge's  
21 discretion;



(3) In addition to the fine in paragraph (2), and except  
as provided under section 431:10C- , the court shall  
either:

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

- (i) Three months for the first conviction; and
- (ii) One year for any subsequent offense within a  
five-year period from a previous offense;  
provided that the driver or the registered owner  
shall not be required to obtain proof of  
financial responsibility pursuant to section 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 cited under this section shall have an  
opportunity to present a good faith defense, including  
but not limited to lack of knowledge or proof of  
insurance. The general penalty provision of this  
section shall not apply to:



1 (A) Any operator of a motor vehicle owned by another  
2 person if the operator's own insurance covers  
3 such driving;

4 (B) Any operator of a motor vehicle owned by that  
5 person's employer during the normal scope of that  
6 person's employment; or

7 (C) Any operator of a borrowed motor vehicle if the  
8 operator holds a reasonable belief that the  
9 subject vehicle is insured;

10 (5) In the case of multiple convictions for driving  
11 without a valid motor vehicle insurance policy within  
12 a five-year period from any prior offense, the court,  
13 in addition to any other penalty, shall impose the  
14 following penalties:

15 (A) Imprisonment of not more than thirty days;

16 (B) Suspension or revocation of the motor vehicle  
17 registration plates of the vehicle involved;

18 (C) Impoundment, or impoundment and sale, of the  
19 motor vehicle for the costs of storage and other  
20 charges incident to seizure of the vehicle, or



1                   any other cost involved pursuant to section  
2                   431:10C-301; or  
3                   (D) Any combination of those penalties; and  
4                   (6) Any violation as provided in subsection (a) (2) (B)  
5                   shall not be deemed to be a traffic infraction as  
6                   defined by chapter 291D."

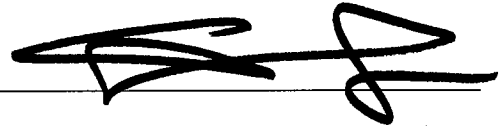
7                   SECTION 3. This Act does not affect rights and duties that  
8                   matured, penalties that were incurred, and proceedings that were  
9                   begun before its effective date.

10                  SECTION 4. New statutory material is underscored.

11                  SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_



JAN 22 2018



**Report Title:**

Motor Vehicle Insurance; Uninsured Motorist; License Suspension;  
Vehicle Impoundment

**Description:**

Requires a court that convicts a person for driving a motor vehicle without the required insurance to suspend the person's driver's license and to impound the vehicle at the vehicle owner's expense.

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

