

JAN 19 2018

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

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

4 "§431:10C- Personal injury protection benefits;
5 required optional insurance; active duty military personnel.

6 (a) Notwithstanding any provision to the contrary in this
7 article, every insurer issuing or renewing a motor vehicle
8 insurance policy in this State shall make personal injury
9 protection benefits available at the option of any insured who
10 is at the time of the issuance or renewal a member in good
11 standing of the National Guard, military reserve, or armed
12 services, including the Coast Guard, and is assigned to a unit
13 in the State.

14 (b) Coverage for personal injury protection benefits shall
15 not apply if an insured who is a member in good standing of the
16 National Guard, military reserve, or armed services, including



1 the Coast Guard, and is assigned to a unit in the State rejects
2 the coverage in writing.

3 (c) Once an insured has been provided the opportunity to
4 purchase or reject the coverage in writing under the option, no
5 further offer is required to be included with any renewal or
6 replacement policy issued to the insurer."

7 SECTION 2. Section 431:10C-301, Hawaii Revised Statutes,
8 is amended by amending subsection (a) to read as follows:

9 "(a) An insurance policy covering a motor vehicle shall
10 provide:

11 (1) Coverage specified in section 431:10C-304; provided
12 that this paragraph shall not apply to an insured who
13 has opted out of the coverage pursuant to section
14 431:10C- ; and

15 (2) Insurance to pay on behalf of the owner or any
16 operator of the insured motor vehicle using the motor
17 vehicle with a reasonable belief that the person is
18 entitled to operate the motor vehicle, sums which the
19 owner or operator may legally be obligated to pay for
20 injury, death, or damage to property of others, except
21 property owned by, being transported by, or in the



1 charge of the insured, which arise out of the
2 ownership, operation, maintenance, or use of the motor
3 vehicle; provided that in the case of a U-drive motor
4 vehicle, insurance to pay on behalf of the renter or
5 any operator of the insured motor vehicle using the
6 motor vehicle with the express permission of the
7 renter or lessee, sums which the renter or operator
8 may be legally obligated to pay for damage or
9 destruction of property of others (except property
10 owned by, being transported by, or in the charge of
11 the renter or operator) arising out of the operation
12 or use of the motor vehicle unless the motor vehicle
13 is reported stolen by the owner within three days of
14 notification of the incident; provided that the
15 insurer and owner of a U-drive vehicle shall have the
16 right of subrogation against the renter and operator
17 for breach of the rental contract between owner and
18 renter; and provided further that, in the event that
19 any motor vehicle offered for rental or lease is
20 involved in an accident, the lessor shall provide all
21 information it has or obtains relevant to the accident



1 to all other involved parties upon their request,
2 including but not limited to information about the
3 lessee, and the driver of the vehicle if other than
4 the lessee."

5 SECTION 3. Section 431:10C-303, Hawaii Revised Statutes,
6 is amended to read as follows:

7 "§431:10C-303 Right to personal injury protection
8 benefits. (a) If the accident causing accidental harm occurs
9 in this State, every person insured under this article, and such
10 person's survivors, suffering loss from accidental harm arising
11 out of the operation, maintenance, or use of a motor vehicle,
12 has a right to personal injury protection benefits[-]; provided
13 that this subsection shall not apply to an insured who has opted
14 out of coverage for personal injury protection benefits pursuant
15 to section 431:10C- .

16 (b) If the accident causing accidental harm occurs outside
17 this State, the following persons and their survivors suffering
18 loss from accidental harm arising out of the operation,
19 maintenance, or use of a motor vehicle, have a right to personal
20 injury protection benefits as defined in section 431:10C-
21 103.5(a) :



(1) Insureds as defined in section 431:10C-103; provided
that this paragraph shall not apply to an insured who
has opted out of coverage for personal injury
protection benefits pursuant to section 431:10C- ;
 and

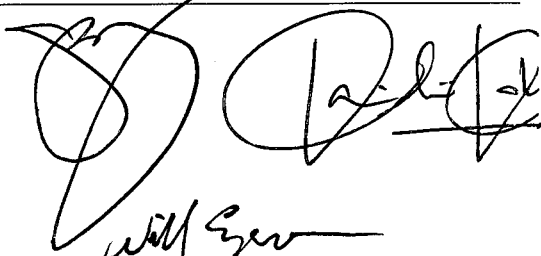
(2) The driver and other occupants of an insured vehicle,
 other than a vehicle which is regularly used in the
 course of the business of transporting persons or
 property and which is one of five or more vehicles
 under common ownership."

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

SECTION 5. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on January 1, 2019.

INTRODUCED BY:

Clarence B. Smith

 Will Eyer



S.B. NO. 2432

Report Title:

Motor Vehicle Insurance; Personal Injury Protection Benefits;
Military

Description:

Changes personal injury protection benefits under the motor vehicle insurance law from a required coverage to a required optional coverage for active duty military personnel stationed in the State.

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

