

DAVID Y. IGE GOVERNOR

September 15, 2020

GOV. MSG. NO. 1164

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirtieth State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on September 15, 2020, the following bill was signed into law:

HB2750 HD2 SD2

RELATING TO MONETARY OBLIGATIONS. Act 059 (20)

Sincerely,

DAVID Y. 1<del>GE</del>

Governor, State of Hawai'i

Approved by the Governor

SEP 15 2020

HOUSE OF REPRESENTATIVES THIRTIETH LEGISLATURE, 2020 STATE OF HAWAII

ORIGINAL ACT 0 5 9

H.B. NO. H.D. 2

### A BILL FOR AN ACT

RELATING TO MONETARY OBLIGATIONS.

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

- 1 SECTION 1. The legislature finds that Hawaii law allows
- 2 for the imposition of restrictions on an individual's ability to
- 3 obtain or renew a driver's license or motor vehicle registration
- 4 as a penalty for various unpaid monetary obligations that are
- 5 civil and not criminal in nature. The most concerning reason
- 6 for these punitive restrictions is the failure of an individual
- 7 to pay the fines and fees assessed in connection with
- 8 non-parking related traffic tickets within thirty days.
- 9 practice of imposing driver's license or vehicle registration
- 10 "stoppers" may also occur as a consequence of other unpaid civil
- 11 obligations.
- 12 The legislature further finds that, according to a
- 13 Washington Post investigation, more than seven million
- 14 individuals nationwide have had their driver's licenses
- 15 suspended for unpaid court or administrative debt. The
- 16 investigation also found that Hawaii has a high percentage,
- around nine per cent, of adults who have had their licenses 17

- 1 suspended for unpaid debt. The American Bar Association
- 2 recently adopted guidelines on preventing fines and fees that
- 3 penalize poverty. These guidelines instruct against driver's
- 4 license suspensions and the imposition of fines that result in
- 5 substantial and undue hardship. At least four states do not
- 6 allow driver's licenses to be suspended or restricted for unpaid
- 7 court debt. The inability to obtain or renew a driver's license
- 8 prevents people who have not committed a crime from getting to
- 9 work, picking up their children, keeping medical appointments,
- 10 and ultimately from escaping debt.
- 11 The purpose of this Act is to prohibit the imposition of
- 12 restrictions on a person's ability to obtain or renew a driver's
- 13 license or to register, renew the registration of, or transfer
- 14 or receive title to a motor vehicle, as a consequence of unpaid
- 15 monetary obligations incurred on or after November 1, 2020.
- 16 This Act provides the courts with a transition period by
- 17 retaining the existing "stopper" law until November 1, 2020,
- 18 thereby applying the prohibition of "stoppers" to any citations
- 19 issued on or after November 1, 2020, while allowing, upon
- 20 approval of this Act, any person prevented from obtaining or
- 21 renewing a driver's license or motor vehicle registration solely

due to failure to pay any monetary assessment to petition the 1 2 court for clearance. It is the intent of this Act to repeal the 3 process for ordering "stoppers" pursuant to chapter 291D, Hawaii Revised Statutes, for citations issued on or after November 1, 4 2020. However, this Act shall not have any effect on driver's 5 license suspensions related to excessive speeding, lack of motor 6 7 vehicle insurance, or noncompliance with a child support order. SECTION 2. Section 286-109, Hawaii Revised Statutes, is 8 amended by amending subsection (c) to read as follows: 9 10 "(c) Statutes of limitations and other provisions of this chapter notwithstanding, no driver's license or instruction 11 permit shall be issued or renewed under this section, where the 12 examiner of drivers is notified by the district judge, traffic 13 14 violations bureaus of the district courts, or the judge of the 15 circuit court that the applicant has failed to respond to a traffic citation or summons, or failed to appear in court after 16 an arrest for the violation of any traffic laws of a county, 17 this chapter or chapter 286G, 287, 290, 291, or 291C, or of any 18 motor vehicle insurance laws under article 10C of chapter 431, 19 20 or of any motorcycle or motor scooter insurance laws under 21 article 10G of chapter 431, and the same remains delinquent and

1	outstanding, or the applicant, has as of the time of the
2	application, failed to comply in full with all orders of the
3	court; provided that this subsection shall not apply to
4	outstanding and delinquent payments pursuant to chapter 291D;
5	provided further that the district court with whose order an
6	applicant has failed to comply in full, may approve the issuance
7	or renewal of a driver's license or instruction permit other
8	than a commercial driver's license upon conditions imposed by
9	the court for the satisfaction of the outstanding court order
10	and any other conditions as may be imposed by the court, if one
11	or more of the following conditions are met:
12	(1) The applicant is gainfully employed in a position that
13	requires driving and will be discharged if the
14	applicant is unable to drive; or
15	(2) The applicant has no access to alternative
16	transportation and therefore must drive to work;
17	provided further that if the applicant has failed to comply in
18	full with orders of the district court of more than one circuit,
19	the applicant shall obtain the approval of the district court of
20	each circuit in which the applicant has an outstanding court

- 1 order before a driver's license or instruction permit may be
- 2 issued or renewed under this subsection.
- 3 A driver's license or instruction permit issued or renewed
- 4 under this subsection shall be subject to immediate suspension
- 5 by the court upon the applicant's failure to remain in full
- 6 compliance with all conditions imposed by the court for the
- 7 issuance or renewal of the driver's license or instruction
- 8 permit. The examiner of drivers may place an indication of
- 9 restriction upon a driver's license or instruction permit issued
- 10 or renewed under this subsection. Proof of financial
- 11 responsibility under section 287-20 shall not apply to the
- 12 issuance or renewal of driver's licenses or instruction permits
- 13 under this subsection."
- 14 SECTION 3. Section 291D-5, Hawaii Revised Statutes, is
- 15 amended by amending subsection (d) to read as follows:
- 16 "(d) The notice of traffic infraction shall include the
- 17 following:
- 18 (1) A statement of the specific traffic infraction for
- which the notice was issued;
- 20 (2) Except in the case of parking-related traffic
- infractions, a brief statement of the facts;

1	(3)	A statement of the total amount to be paid for each
2		traffic infraction, which amount shall include any
3		fee, surcharge, or cost required by statute,
4		ordinance, or rule, and any monetary assessment,
5		established for the particular traffic infraction
6		pursuant to section 291D-9, to be paid by the driver
7		or registered owner of the vehicle, which shall be
8		uniform throughout the State;
9	(4)	A statement of the options provided in section
10		291D-6(b) for answering the notice and the procedures
11		necessary to exercise the options;
12	(5)	A statement that the person to whom the notice is
13		issued must answer, choosing one of the options
14		specified in section 291D-6(b), within twenty-one days
15		of issuance of the notice;
16	(6)	A statement that failure to answer the notice of
17		traffic infraction within twenty-one days of issuance
18		shall result in the entry of judgment by default for
19		the State and may result in the assessment of a late
20		penalty[, and, that if the person to whom the notice
21		was issued fails to pay the total amount specified in

1		the default judgment within an additional thirty days
2		or to otherwise take action to set aside the default,
3		notice shall be sent to the director of finance of the
4		appropriate county:
5		(A) That the person to whom the notice of infraction
6		not involving parking was issued shall not be
7		permitted to renew or obtain a driver's license;
8		<del>OT</del>
9		(B) Where the notice was issued to a motor vehicle,
10		that the registered owner shall not be permitted
11		to register, renew the registration of, or
12		transfer title to the motor vehicle until the
13		traffic infraction is finally disposed of
14		pursuant to this chapter, except as provided in
15		<del>section 291D-10(b)</del> ];
16	(7)	A statement that, at a hearing requested to contest
17		the notice of traffic infraction conducted pursuant to
18		section 291D-8, no officer shall be present unless the
19		driver timely requests the court to have the officer
20		present, and that the standard of proof to be applied
21		by the court is whether a preponderance of the

1		evidence proves that the specified traffic infraction
2		was committed;
3	(8)	A statement that, at a hearing requested for the
4		purpose of explaining mitigating circumstances
5		surrounding the commission of the infraction or in
6		consideration of a written request for mitigation, the
7		person shall be considered to have committed the
8		traffic infraction;
9	(9)	A space in which the signature of the person to whom
10		the notice was issued may be affixed; and
11	(10)	The date, time, and place at which the person to whom
12		the notice was issued must appear in court, if the
13		person is required by the notice to appear in person
14		at the hearing."
15	SECT	ION 4. Section 291D-7, Hawaii Revised Statutes, is
16	amended a	s follows:
17	1.	By amending subsections (a), (b), and (c) to read:
18	"(a)	When an admitting answer is received, the court shall
19	enter jud	gment in favor of the State in the total amount
20	specified	in the notice of traffic infraction. [If the total

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2	action-as	-provided in section 291D-10.
3	(b)	When a denying answer is received, the court shall
4	proceed a	s follows:
5	(1)	In the case of a traffic infraction where the person
6		requests a hearing at which the person will appear in
7		person to contest the infraction, the court shall
8		notify the person in writing of the date, time, and
9		place of hearing to contest the notice of traffic
10		infraction. The notice of hearing shall be mailed to
11		the address stated in the denying answer, or if none
12		is given, to the address stated on the notice of
13		traffic infraction. The notification also shall

amount is not submitted with the answer, the court may take

the default judgment must be paid within thirty days

advise the person that, if the person fails to appear

default in favor of the State, as of the date of the

scheduled hearing, that the total amount specified in

at the hearing, the court shall enter judgment by

of entry of default judgment[<del>, and, if it is not paid,</del>

that the court shall take action as provided in

21 section 291D-10]; and

1	(2)	When a denying answer is accompanied by a written
2		statement of the grounds on which the person contests
3		the notice of traffic infraction, the court shall
4		proceed as provided in section 291D-8(a) and shall
5		notify the person of its decision, including the total
6		amount assessed, if any, by mailing the notice of
7		entry of judgment within forty-five days of the
8		postmarked date of the answer to the address provided
9		by the person in the denying answer, or if none is
10		given, to the address given when the notice of traffic
11		infraction was issued or, in the case of parking
12		violations, to the address at which the vehicle is
13		registered. The notice of entry of judgment also
14		shall advise the person, if it is determined that the
15		infraction was committed and judgment is entered in
16		favor of the State, that the person has the right,
17		within thirty days of entry of judgment, to request a
18		trial and shall specify the procedures for doing so.
19		The notice of entry of judgment shall also notify the
20		person, if an amount is assessed by the court for
21		monetary assessments, fees, surcharges, or costs, that

1		if the person does not request a trial within the time
2		specified in this paragraph, the total amount assessed
3		shall be paid within thirty days of entry of judgment.
4		[The notice of entry of judgment shall inform the
5		person that if the total amount is not paid within
6		thirty days, the court shall take action as provided
7		in section 291D-10.
8	(c)	When an answer admitting commission of the infraction
9	but seeki	ng to explain mitigating circumstances is received, the
10	court sha	ll proceed as follows:
11	(1)	In the case of a traffic infraction where the person
12		requests a hearing at which the person will appear in
13		person to explain mitigating circumstances, the court
14		shall notify the person in writing of the date, time,
15		and place of hearing to explain mitigating
16		circumstances. The notice of hearing shall be mailed
17		to the address stated in the answer, or if none is
18		given, to the address stated on the notice of traffic
19		infraction. The notification also shall advise the
20		person that, if the person fails to appear at the
21		hearing, the court shall enter judgment by default in

1		favor of the State, as of the date of the scheduled
2		hearing, and that the total amount stated in the
3		default judgment must be paid within thirty days of
4		entry of default judgment[, and, if it is not paid,
5		that the court shall take action as provided in
6		section 291D-10]; and
7	(2)	If a written explanation is included with an answer
8		admitting commission of the infraction, the court
9		shall enter judgment for the State and, after
10		reviewing the explanation, determine the total amount
11		of the monetary assessments, fees, surcharges, or
12		costs to be assessed, if any. The court shall then
13		notify the person of the total amount to be paid for
14		the infraction, if any. There shall be no appeal from
15		the judgment. If the court assesses an amount for
16		monetary assessments, fees, surcharges, or costs, the
17		court shall also notify the person that the total
18		amount shall be paid within thirty days of entry of
19	•	judgment. [The notice of entry of judgment also shall
20		inform the person that if the total amount is not paid

1	within thirty days, the court shall take action as
2	provided in section 291D-10.] "
3	2. By amending subsection (e) to read:
4	"(e) Whenever judgment by default in favor of the State is
5	entered, the court shall mail a notice of entry of default
6	judgment to the address provided by the person when the notice
7	of traffic infraction was issued or, in the case of parking
8	infractions, to the address stated in the answer, if any, or the
9	address at which the vehicle is registered. The notice of entry
10	of default judgment shall advise the person that the total
11	amount specified in the default judgment shall be paid within
12	thirty days of entry of default judgment and shall explain the
13	procedure for setting aside a default judgment. [The notice of
14	entry of default judgment shall also inform the person that if
15	the total amount is not paid within thirty days, the court shall
16	take action as provided in section 291D-10.] Judgment by
17	default for the State entered pursuant to this chapter may be
18	set aside pending final disposition of the traffic infraction
19	upon written application of the person and posting of an
20	appearance bond equal to the amount of the total amount
21	specified in the default judgment and any other assessment

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- 1 imposed pursuant to section 291D-9. The application shall show
- 2 good cause or excusable neglect for the person's failure to take
- 3 action necessary to prevent entry of judgment by default. [Upon
- 4 receipt of the application and required appearance bond, the
- 5 court shall take action to remove the restriction placed on the
- 6 person's driver's license or the motor vehicle's registration
- 7 and title imposed pursuant to section 291D-10.] Thereafter, the
- 8 court shall determine whether good cause or excusable neglect
- 9 exists for the person's failure to take action necessary to
- 10 prevent entry of judgment by default. If so, the application to
- 11 set aside default judgment shall be granted, the default
- 12 judgment shall be set aside, and the notice of traffic
- 13 infraction shall be disposed of pursuant to this chapter. If
- 14 not, the application to set aside default judgment shall be
- 15 denied, the appearance bond shall be forfeited and applied to
- 16 satisfy amounts due under the default judgment, and the notice
- 17 of traffic infraction shall be finally disposed. In either
- 18 case, the court shall determine the existence of good cause or
- 19 excusable neglect and notify the person of its decision on the
- 20 application in writing."

## H.B. NO. H.D. 2

1 SECTION 5. Section 291D-8, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows: 2 3 "(c) If a person for whom a hearing has been scheduled, to contest the notice of traffic infraction or to explain 4 5 mitigating circumstances, fails to appear at the hearing, the court shall enter judgment by default for the State and take 6 action as provided in section 291D-7(e). [If the total amount 7 8 of the monetary assessment, fees, surcharges, or costs is not 9 paid within thirty days of entry of default judgment, the court 10 shall take action as provided in section 291D-10.] " SECTION 6. Section 291D-9, Hawaii Revised Statutes, is 11 12 amended by amending subsection (d) to read as follows: 13 The court may grant to a person claiming inability to 14 pay, an extension of the period in which the monetary assessment shall be paid or may impose community service in lieu thereof. 15 16 [If the assessment is not paid or the community service is not 17 performed on or before the date established and the court has 18 not extended the time, the court shall take action as provided 19 in section 291D 10.] "

SECTION 7. Section 291D-12, Hawaii Revised Statutes, is

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amended to read as follows:

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1	. "829	ID-12 Powers of the district court judge sitting in
2	the traff	ic division. (a) A district court judge sitting in
3	the traff	ic division and hearing cases pursuant to this chapter
4	shall hav	e all the powers of a district court judge under
5	chapter 6	04, including the following powers:
6	(1)	To conduct traffic infraction hearings and to impose
7		monetary assessments;
8	(2)	To permit deferral of monetary assessment or impose
9		community service in lieu thereof;
10	(3)	To dismiss a notice of traffic infraction, with or
11		without prejudice, or to set aside a judgment for the
12		State;
13	(4)	To order temporary driver's license suspension or
14		driver's license reinstatement;
15	[ <del>(5)</del>	To order the director of finance not to issue or renew
16		the driver's license, or to register, renew the
17		registration of, or issue title to a motor vehicle, of
18		any person who has not paid a monetary assessment, has
19		not performed community service in lieu thereof, or
20		has not otherwise satisfied a judgment for the State
21		entered pursuant to this chapter;

1	<del>(6)</del> ]	(5) To approve the issuance or renewal of a driver's
2		license or instruction permit pursuant to section
3		286-109(c);
4	[ <del>-(7)</del> -]	(6) To issue penal summonses and bench warrants and
5		initiate contempt of court proceedings in proceedings
6		conducted pursuant to section 291D-13;
7	[ <del>(8)</del> ]	(7) To issue penal summonses and bench warrants and
8		initiate failure to appear proceedings in proceedings
9		conducted pursuant to section 291D-5(d)(10); and
10	[ <del>-(9)</del> ]	(8) To exercise other powers the court finds
11		necessary and appropriate to carry out the purposes of
12		this chapter.
13	(b)	A district court judge sitting in the traffic division
14	and hearing	ng cases pursuant to this chapter shall not order the
15	director o	of finance to withhold issuing or renewing the driver's
16	license, d	or registering, renewing the registration of, or
17	issuing th	ne title to a motor vehicle, of any person who has not
18	paid a mor	netary assessment, has not performed community service
19	in lieu th	nereof, or has not otherwise satisfied a judgment for
20	the State	entered pursuant to this chapter."

1	SECTION 8. Section 291D-10, Hawaii Revised Statutes, is
2	repealed.
3	["§291D-10 Restriction on driver's license and motor
4	vehicle registration. (a) When the person issued a notice of
5	traffic infraction not involving parking fails to pay the total
6	amount of fines, fees, surcharges, costs, or monetary
7	assessments that has been ordered, the court shall cause an
8	entry to be made in the driver's license record so as to prevent
9	the person from acquiring or renewing the person's driver's
10	license until the outstanding amount is paid or the notice of
11	traffic infraction is otherwise disposed of pursuant to this
12	chapter.
13	(b) In all cases where the registered owner of a motor
14	vehicle to which a notice of traffic infraction has been issued
15	fails to pay the total amount of fines, fees, surcharges, costs,
16	or monetary assessments that have been ordered, the court shall
17	cause an entry to be made in the motor vehicle's record so as to
18	prevent issuance or renewal of the motor vehicle's certificate
19	of registration and transfer of title to the motor vehicle until
20	the outstanding amount is paid or the notice of traffic
21	infraction is otherwise disposed of pursuant to this chapter;

1	provided that if the traffic infraction involves an unpaid
2	parking violation, this subsection shall not prevent the
3	issuance or renewal of the motor vehicle's certificate of
4	registration and transfer of title to the motor vehicle to
5	another person, in which case the clerk of the court shall issue
6	a clearance to effectuate the registration and transfer of
7	title; and provided further that in no event shall a clearance:
8	(1) Absolve the registered owner of the motor vehicle at
9	the time the parking violation was incurred from
10	paying the fine;
11	(2) Prevent any subsequent issuance or renewal of the
12	motor vehicle's certificate of registration and
13	transfer of title to the motor vehicle; or
14	(3) Otherwise encumber the title of that motor vehicle."]
15	SECTION 9. Any person prevented from obtaining or renewing
16	a driver's license or motor vehicle registration solely due to
17	failure to pay any monetary assessment imposed under chapter
18	291D, Hawaii Revised Statutes, may petition the court for a
19	driver's license or motor vehicle clearance. The court shall
20	grant any petition for a driver's license or motor vehicle
21	clearance filed in accordance with this section.

- 1 SECTION 10. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 11. This Act shall take effect upon its approval;
- 4 provided that sections 2 through 8 shall take effect on
- 5 November 1, 2020.

APPROVED this 15 day of **SEP** 

, 2020

Amid I ge GOVERNOR OF THE STATE OF HAWAII

#### THE SENATE OF THE STATE OF HAWAI'I

Date: July 6, 2020 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2020.

President of the Senate

Clerk of the Senate

#### HB No. 2750, HD 2, SD 2

#### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: July 10, 2020 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2020.

(CME (M)

Scott K. Saiki Speaker House of Representatives

Brian L. Takeshita

This L. I les

Chief Clerk

House of Representatives