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# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE INSURANCE.

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

1           SECTION 1. Section 431:10C-117, Hawaii Revised Statutes,  
2 is amended by amending subsection (a) to read as follows:  
3       "(a) (1) Any person subject to this article in the capacity of  
4               the operator, owner, or registrant of a motor vehicle  
5               operated in this State, or registered in this State,  
6               who violates any applicable provision of this article,  
7               shall be subject to citation for the violation by any  
8               county police department in a form and manner approved  
9               by the traffic and emergency period violations bureau  
10              of the district court of the first circuit;  
11       (2) Notwithstanding any provision of the Hawaii Penal  
12              Code:  
13              (A) Each violation shall be deemed a separate offense  
14                 and shall be subject to a fine of no less than  
15                 \$100 nor more than \$5,000 which shall not be  
16                 suspended except as provided in subparagraph (B);  
17                 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 court]~~:

8 (i) ~~[Shall]~~ The court shall have the discretion  
9 to suspend all or any portion of the fine if  
10 the defendant provides proof of having a  
11 current motor vehicle insurance policy;  
12 ~~[provided further that upon]~~

13 (ii) Upon the defendant's request, the court may  
14 grant community service in lieu of the fine,  
15 of no less than seventy-five hours and no  
16 more than one hundred hours for the first  
17 offense, and no less than two hundred hours  
18 nor more than two hundred seventy-five hours  
19 for the second offense;





1 provided that the driver or the registered owner  
2 shall not be required to obtain proof of  
3 financial responsibility pursuant to section  
4 287-20; or

5 (B) Require the driver or the registered owner to  
6 keep a nonrefundable motor vehicle insurance  
7 policy in force for six months;

8 (4) Any person subject to a fine under this section and  
9 who fails to timely pay the fine shall be given an  
10 opportunity to petition the court to demonstrate that  
11 the person's nonpayment or inability to pay is not  
12 wilful; provided that if the person petitions the  
13 court, the court shall make an individualized  
14 assessment of the person's ability to pay based upon  
15 the totality of the circumstances, including the  
16 person's disposable income, financial obligations, and  
17 liquid assets; provided further that if the court  
18 determines that the person's nonpayment or inability  
19 to pay is not wilful, the court may enter an order  
20 that allows additional time for payment; reduces the  
21 amount of each installment; revokes the fee or fine,



1 or unpaid portion thereof, in whole or in part; or  
2 converts any outstanding fine to community service;  
3 (5) Any person cited under this section shall have an  
4 opportunity to present a good faith defense, including  
5 lack of knowledge or proof of insurance; provided that  
6 the general penalty provision of this section shall  
7 not apply to:  
8 (A) Any operator of a motor vehicle owned by another  
9 person if the operator's own insurance covers  
10 such driving;  
11 (B) Any operator of a motor vehicle owned by that  
12 person's employer during the normal scope of that  
13 person's employment; or  
14 (C) Any operator of a borrowed motor vehicle if the  
15 operator holds a reasonable belief that the  
16 subject vehicle is insured;  
17 (6) In the case of multiple convictions for driving  
18 without a valid motor vehicle insurance policy within  
19 a five-year period from any prior offense, the court,  
20 in addition to any other penalty, shall impose the  
21 following penalties:



- 1 (A) Imprisonment of no more than thirty days;
- 2 (B) Suspension or revocation of the motor vehicle
- 3 registration plates of the vehicle involved;
- 4 (C) Impoundment, or impoundment and sale, of the
- 5 motor vehicle for the costs of storage and other
- 6 charges incident to seizure of the vehicle, or
- 7 any other cost involved pursuant to section
- 8 431:10C-301; or

- 9 (D) Any combination of those penalties; and
- 10 (7) Any violation as provided in paragraph (2)(B) shall
- 11 not be deemed to be a traffic infraction as defined by
- 12 chapter 291D."

13 SECTION 2. This Act does not affect rights and duties that  
14 matured, penalties that were incurred, and proceedings that were  
15 begun before its effective date.

16 SECTION 3. Statutory material to be repealed is bracketed  
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect on July 1, 3000.



**Report Title:**

Motor Vehicle Insurance; Suspension; Driver's License; Penalty

**Description:**

Makes mandatory the suspension of the driver's license of a driver or registered owner of a vehicle for operating a motor vehicle without a motor vehicle insurance policy. Effective 7/1/3000. (HD1)

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

