

ACT 227

S.B. NO. 348

A Bill for an Act Relating to Collision Insurance for Rented Motor Vehicles.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 437D-8.5, Hawaii Revised Statutes, is amended to read as follows:

~~“[§437D-8.5] Commissions.~~ No lessor or officer, employee, agent, or other representative of the lessor shall pay or receive a commission for selling collision damage waivers. Any violation of this section shall be an unfair or deceptive act or practice as provided in section 480-2. As used in this section, “commission for selling collision damage waivers” includes any compensation, bonus, award, or remuneration, whether direct, indirect, or otherwise, which is calculated by means of a formula, process, evaluation, or other mechanisms which considers sales of collision damage waivers as a factor in any manner. “Commission for selling collision damage waivers” also includes any performance evaluation which could be used in determining promotions, raises, or other personnel decisions, or any other device which serves to encourage the sale of collision damage waivers.”

SECTION 2. Section 437D-8.6, Hawaii Revised Statutes, is amended to read as follows:

~~“[§437D-8.6] Collision [waiver] damage waiver statistics.~~ Lessors shall submit data or information to the director regarding their sale of collision damage waivers in a given year and amounts expended to repair damage to rental vehicles caused while the vehicles are subject to the collision damage waiver. Lessors shall maintain all records reflecting these statistics. Neither the director, nor any other employee of the department of commerce and consumer affairs, nor any other person appointed by the director as provided by law, shall release or divulge any of the information or data required by this section, except as may be required or allowed by rules adopted pursuant to section 437D-18.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect ninety days after its approval.

(Approved June 6, 1991.)