

ACT 181

H.B. NO. 2213

A Bill for an Act Relating to Binding Arbitration Awards.

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

SECTION 1. Section 431:10C-213.5, Hawaii Revised Statutes, is amended to read as follows:

“~~[[~~**§431:10C-213.5**~~]]~~ **Binding arbitration.** (a) A claimant or defendant shall have the option to elect arbitration to resolve a claim in tort that is covered by motor vehicle liability insurance.

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(b) A claimant or defendant may submit any dispute relating to a tort claim to binding arbitration by either filing a written request with the clerk of the circuit court in the circuit where the accident occurred or by agreement.

(c) A claimant or defendant shall have the opportunity to decline arbitration.

(d) Except as otherwise provided herein, arbitration shall be in accordance with and governed by chapter 658.

(e) Fees and costs of arbitration shall be borne equally by the parties, unless otherwise agreed to by the parties.

(f) [Any] Collection of any arbitration award issued under this section shall be limited to the applicable liability policy limit, unless the insured tortfeasor otherwise agrees.

(g) The amount of an arbitration award under this section shall not be binding on a subsequent underinsured motorist claim.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 7, 2000.)