

ACT 82

H.B. NO. 1705

A Bill for an Act Relating to Motor Vehicle Insurance.

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

SECTION 1. The legislature finds that many motor vehicle insurance companies offer insurance documents through applications on mobile electronic devices. This electronic proof of coverage gives drivers a convenient, paperless way to display up-to-date insurance information.

The legislature further finds that more states are recognizing the widespread use of mobile technology and updating motor vehicle insurance laws accordingly. Currently, thirty-seven states permit drivers to use an electronic copy of their insurance card as valid proof of insurance. The acceptance of this technology has grown rapidly since March 2012, when Idaho became the first state in the country to accept electronic motor vehicle insurance cards.

The legislature concludes that owners and drivers of motor vehicles in Hawaii should also be provided with electronic options for proof of insurance.

Accordingly, the purpose of this Act is to allow electronic insurance cards, in addition to paper insurance cards, to be used as proof of insurance for motor vehicles, motorcycles, and motor scooters.

SECTION 2. Section 286-116, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Every licensee shall have a valid driver’s license in the licensee’s immediate possession at all times, and a valid motor vehicle or liability insurance identification card applicable to the motor vehicle operated as required under section 431:10C-107 and section 431:10G-106, when operating a motor vehicle, and shall display the same upon demand of a police officer. Every police officer or law enforcement officer when stopping a vehicle or inspecting a vehicle for any reason shall demand that the driver or owner display the driver’s or owner’s driver’s license and insurance identification card.

Upon demand, the driver or owner may display the driver’s or owner’s electronic motor vehicle insurance identification card on a mobile electronic device, as defined in section 291C-137. For the purposes of this section, when a person uses a mobile electronic device to display an electronic motor vehicle insurance identification card to a police officer or law enforcement officer, the officer may only view the electronic motor vehicle insurance identification card and shall be otherwise prohibited from viewing any other content on the mobile electronic device. Whenever a person presents a mobile electronic device pursuant to this section, that person assumes all liability for any damage to the mobile electronic device.

No person charged with violating this section shall be convicted if the person produces in court, or proves from the proper official or other records that the person was the holder of a driver’s license or a motor vehicle or liability insurance identification card and policy conforming to article 10C and article 10G of chapter 431 or a certificate of self-insurance issued by the insurance commissioner pursuant to section 431:10C-107 and section 431:10G-103, theretofore issued to the person and valid at the time of the person’s arrest.”

SECTION 3. Section 431:10C-107, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) Every insurer shall issue to its insureds a paper or electronic motor vehicle insurance identification card for each motor vehicle for which the

basic motor vehicle insurance coverage is written. The electronic motor vehicle insurance identification card may be accessed directly through the licensed insurer's website, application, or database. The identification card shall contain the following:

- (1) Name of make and factory or serial number of the motor vehicle; provided that insurers of five or more motor vehicles which are under common registered ownership and used in the regular course of business shall not be required to indicate the name of make and the factory or serial number of each motor vehicle;
 - (2) Policy number;
 - (3) Names of the insured and the insurer; and
 - (4) Effective dates of coverage including the expiration date.
- (b) The identification card shall be in the insured motor vehicle or accessible on a mobile electronic device, as defined in section 291C-137, at all times and shall be exhibited to a law enforcement officer upon demand.”

SECTION 4. Section 431:10G-106, Hawaii Revised Statutes, is amended to read as follows:

“**§431:10G-106 Verification of insurance.** Every insurer shall issue to each of its insureds a paper or electronic proof of insurance card for each motorcycle or motor scooter for which a liability policy under this article is written. The electronic proof of insurance card may be accessed directly through the licensed insurer's website, application, or database. The proof of insurance card shall show the following:

- (1) Name, make, year, and factory or serial number of the motorcycle or motor scooter; provided that insurers of five or more motorcycles or motor scooters that are under common registered ownership and used in the regular course of business shall not be required to indicate the name, make, year, and the factory or serial number of each motorcycle or motor scooter;
- (2) Policy number;
- (3) Names of the insured and the insurer; and
- (4) Effective dates of coverage including the expiration date.

The proof of insurance card shall be carried on, or accessible on a mobile electronic device, as defined in section 291C-137, by the person operating the insured motorcycle or motor scooter at all times and shall be exhibited to a law enforcement officer upon demand.”

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2016.

(Approved June 21, 2016.)