



GOV. MSG. NO. 1067

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 11, 2007

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

Re: House Bill No. 895 HD2 SD1 CD1

On July 10, 2007, House Bill No. 895, entitled "A Bill for an Act Relating to Motor Vehicles" became law without my signature, pursuant to Section 16 of Article III of the Constitution of the State of Hawaii.

This bill authorizes the counties to increase from \$5 to \$10 the portion of the motor vehicle registration fee for disposing of abandoned vehicles. This bill also allows towing companies contracted by a county to increase vehicle towing and storage fees.

This bill runs counter to my long-held position that counties should be given greater flexibility in the administration of county functions. This bill establishes in State statute the specific fees the counties can and cannot charge for motor vehicle-related activities. As I have stated previously, State statutes should not micromanage the activities of duly elected officials at the county level.

For this reason, I allowed House Bill No. 895 to become law as Act 269 effective July 10, 2007 without my signature.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Lingle".

LINDA LINGLE

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1 SECTION 1. Significant increases in the number of
2 abandoned and derelict vehicles being discarded on Hawaii's
3 roadways degrade the beauty of our island state and pose a
4 danger to the public by creating unsafe driving conditions on
5 our highways. While towing companies provide a valuable public
6 service for Hawaii's motorists by removing many of these
7 vehicles in a timely manner, increased costs in operating a
8 towing service, along with increased "scrapping" costs for the
9 disposal of unclaimed or derelict vehicles, have caused tow
10 operators to incur financial hardships. Moreover, the current
11 notification process required by law for the disposition of a
12 motor vehicle that has been towed and determined to be abandoned
13 or derelict is lengthy. In some instances, the process has
14 taken upwards of three months. This increases costs incurred by
15 the towing company for storage of the towed vehicle.

16 While the county in which the towing company is located is
17 most often the requestor for the towing company to remove these
18 abandoned and derelict motor vehicles, the county only pays for



1 the initial towing service and does not pay for any storage fees
2 incurred with the towed motor vehicle even though the storage of
3 the vehicle may be of considerable cost to the towing company.

4 A possible solution to this growing problem is to use funds from
5 the highway beautification and disposal of abandoned or derelict
6 vehicles revolving fund to defray some of the costs associated
7 with storage of abandoned or derelict vehicles until they can be
8 sold at auction or scrapped.

9 Removal of these vehicles should be accomplished as rapidly
10 as possible. Providing the county and tow companies with the
11 tools necessary to take custody and properly dispose of
12 abandoned vehicles in a more efficient manner will aid in this
13 task.

14 Accordingly, the purpose of this Act is to:

- 15 (1) Allow counties to increase registration fees and
16 thereby increase deposits into the highway
17 beautification and disposal of abandoned or derelict
18 vehicles revolving fund to defray costs associated
19 with the storage of abandoned or derelict vehicles;
- 20 (2) Increase towing and storage fees that towing companies
21 are currently allowed to charge; and



1 (3) Decrease the number of days in which the owner of the
2 towed motor vehicle must be notified.

3 SECTION 2. Section 286-51, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 " (b) This part shall be administered by the director of
6 finance in conjunction with the requirements of sections 249-1
7 to 249-13 and shall entail no additional expense or charge to
8 the person registering the ownership of a motor vehicle other
9 than as provided by this section or by other laws; provided that
10 for each new certificate of ownership issued by the director of
11 finance under section 286-52, the director of finance may charge
12 a fee which shall be deposited in the general fund. The fees
13 charged to issue a new certificate of ownership shall be
14 established by the county's legislative body.

15 Notwithstanding any other law to the contrary, an
16 additional fee of not more than \$1 for each certificate of
17 registration for a U-drive motor vehicle and \$2 for each
18 certificate of registration for all other motor vehicles may be
19 established by ordinance and collected annually by the director
20 of finance of each county, to be used and administered by each
21 county:



1 (1) For the purpose of beautification and other related
2 activities of highways under the ownership, control,
3 and jurisdiction of each county; and

4 (2) To defray the additional cost in the disposition and
5 other related activities of abandoned or derelict
6 vehicles as prescribed in chapter 290. For the
7 purposes of this paragraph, other related activities
8 shall include but need not be limited to any and all
9 storage fees that are negotiated between each county
10 and a towing company contracted by the county to
11 remove and dispose of abandoned or derelict vehicles.

12 The \$2 fee established pursuant to this subsection for
13 certificates of registration for motor vehicles other than U-
14 drive motor vehicles may be increased by ordinance up to a
15 maximum of [~~\$5~~] \$10; provided that all amounts received from
16 any fee increase over \$2 shall be expended only for the purposes
17 of paragraph (2). The moneys so assessed and collected shall be
18 placed in a revolving fund entitled, "the highway beautification
19 and disposal of abandoned or derelict vehicles revolving fund".

20 SECTION 3. Section 290-11, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 " (b) Towing companies engaged by the owner, occupant, or
2 person in charge of the property shall:

3 (1) Charge not more than [~~\$55~~] \$65 for a tow, or [~~\$65~~] \$75
4 for a tow using a dolly, plus a mileage charge of
5 [~~\$6.50~~] \$7.50 per mile towed and [~~\$20~~] \$25 per day or
6 fraction thereof for storage for the first seven days
7 and [~~\$15~~] \$20 per day thereafter. [~~When the tow~~
8 ~~occurs between the hours of six o'clock p.m. and six~~
9 ~~o'clock a.m., from Monday through Thursday and from~~
10 ~~Friday six o'clock p.m. to Monday six o'clock a.m.,~~
11 ~~the towing company shall be entitled to an overtime~~
12 ~~charge of \$15.] If the vehicle is in the process of~~
13 ~~being hooked up to the tow truck and the owner appears~~
14 ~~on the scene before the vehicle has been moved by the~~
15 ~~tow truck, the towing company shall unhook the vehicle~~
16 ~~[upon payment by the owner of an "unhooking" fee of~~
17 ~~not more than \$50. If the owner is unwilling or~~
18 ~~unable to pay the "unhooking" fee, the vehicle may be~~
19 ~~towed]. In the case of a difficult hookup, meaning an~~
20 ~~above or below ground hookup in a multilevel facility,~~
21 a towing surcharge of \$30 shall be applicable;



1 (2) Determine the name of the legal owner and the
2 registered owner of the vehicle from the department of
3 transportation or the county department of finance.

4 The legal owner and the registered owner shall be
5 notified in writing at the address on record with the
6 department of transportation or with the county
7 department of finance by registered or certified mail
8 of the location of the vehicle, together with a
9 description of the vehicle, within a reasonable period
10 not to exceed [~~twenty~~] fifteen days following the tow.

11 The notice shall state:

- 12 (A) The maximum towing charges and fees allowed by
13 law;
- 14 (B) The telephone number of the consumer information
15 service of the department of commerce and
16 consumer affairs; and
- 17 (C) That if the vehicle is not recovered within
18 thirty days after the mailing of the notice, the
19 vehicle shall be deemed abandoned and will be
20 sold or disposed of as junk.

21 Where the owners have not been so notified, then the
22 owner may recover the owner's car from the towing



1 company without paying tow or storage fees; provided
2 that the notice need not be sent to a legal or
3 registered owner or any person with an unrecorded
4 interest in the vehicle whose name or address cannot
5 be determined. Absent evidence to the contrary, a
6 notice shall be deemed received by the legal or
7 registered owner five days after the mailing. A
8 person, including but not limited to the owner's or
9 driver's insurer, who has been charged in excess of
10 the charges permitted under this section may sue for
11 damages sustained and, if the judgment is for the
12 plaintiff, the court shall award the plaintiff a sum
13 not to exceed the amount of the damages and reasonable
14 attorney's fees together with the cost of suit;

15 (3) Provide, when a vehicle is recovered by the owner
16 before written notice is sent by registered or
17 certified mail, the owner with a receipt stating:

18 (A) The maximum towing charges and fees allowed by
19 law; and

20 (B) The telephone number of the consumer information
21 service of the department of commerce and
22 consumer affairs; and



1 (4) Accommodate payment by the owner for charges under
2 paragraph (1) by cash and by either credit card or
3 automated teller machine located on the premises."

4 SECTION 4. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act shall take effect on July 1, 2007.

