## DEPARTMENT OF CUSTOMER SERVICES KA 'OIHANA LAWELAWE KUPA **CITY AND COUNTY OF HONOLULU**

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**RICK BLANGIARDI** MAYOR MEIA



February 18, 2025

KIMBERLY HASHIRO DIRECTOR POO

MEGAN JOHNSON DEPUTY DIRECTOR HOPE PO'O

The Honorable Karl Rhoads, Chair The Honorable Mike Gabbard, Vice Chair and Members of the Senate Committee on Judiciary State Capitol, Conference Room 016 415 South Beretania Street Honolulu, Hawai'i 96813

Dear Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Committee on Judiciary,

> SUBJECT: S.B. No. 1522 - Relating to Vehicle Title Transfers HEARING: Thursday, February 20, 2025, 10:01 a.m.

The City and County of Honolulu, Department of Customer Services (CSD) supports this bill and appreciates the opportunity to offer comments for your committee's consideration. Pursuant to Section 6-402 of the Revised Charter of the City and County of Honolulu, CSD Division of Motor Vehicle Registration (DMV) administers the motor vehicle registration program for the island of O'ahu.

S.B. No. 1522 clarifies that a transferor (e.g., seller, donor) of a motor vehicle who complies with the portions of Section 286-52, Hawai'i Revised Statutes, requiring action on the transferor's part shall not be liable for any violation resulting from the operation of a transferred vehicle, even though the transferor remains the legal and registered owner of the vehicle, and that a copy of the transferor's notice of transfer form shall serve as a complete defense to any action brought against the transferor for an act or omission, civil or criminal, arising out of the use, operation, or abandonment of the vehicle by another person after the transferor's filing of the form; provided that a copy of the form shall serve as proof of the filing of the form.

Testimony for S.B. No. 1522 February 18, 2025 Page 2

Currently, the transferee's (e.g., buyer, recipient) endorsement is legally required and serves to acknowledge the transfer and that information on the title transfer is correct, including the transferee's address. Section 286-52, Hawai'i Revised Statutes, requires that when title or interest of a vehicle is being transferred, that both the transferor and transferee attest that the information provided on the certificate of ownership is accurate and that both the transferor and the transferee are entering into the transaction mutually and knowingly.

CSD is aware of issues of transferors having persistent liability on vehicles for which title and possession have been transferred but the transferee fails to endorse and submit the vehicle's title to CSD DMV within a specified period of time. CSD has been working with the Office of Senator Karl Rhoads on options to address issues of transferors having persistent liability on vehicles for which title and possession have been transferred but the transferee fails to endorse and submit the vehicle's title to CSD DMV within a specified period of time. Section 286-52(k), Hawai'i Revised Statutes, already includes language establishing that when a transferor complies with the portions of the statute applying to transferors, the transferor is released from liability arising out of the operation of the transferred vehicle. CSD supports the intent of S.B. No. 1522 to retain the substance of Section 286-52, Hawai'i Revised Statutes, including maintaining the requirement that the transferor and transferee mutually attest to the information provided on the certificate of ownership, while also clarifying that a transferor shall not be liable for any violation resulting from the operation of a transferred vehicle if the transferor complies with the portions of the statute requiring action on the transferor's part.

Thank you for this opportunity to provide testimony is support of S.B. No. 1522.

Sincerely,

Kimberly M. Hashiro Director Designate

## <u>SB-1522</u> Submitted on: 2/18/2025 6:59:27 PM Testimony for JDC on 2/20/2025 10:01:00 AM

| Submitted By  | Organization                            | <b>Testifier Position</b> | Testify                   |
|---------------|---|---------------------------|---------------------------|
| Amanda Ybanez | Testifying for Kalihi<br>Palama NB # 15 | Support                   | Written Testimony<br>Only |

Comments:

Chairwoman of Kalihi Palama NB # 15, is in strong support of this bill.

<u>SB-1522</u> Submitted on: 2/19/2025 8:40:12 AM Testimony for JDC on 2/20/2025 10:01:00 AM

| Submitted By  | Organization | <b>Testifier Position</b> | Testify                   |
|---------------|--------------|---------------------------|---------------------------|
| Jan K Baldado | Individual   | Support                   | Written Testimony<br>Only |

Comments:

Aloha,

I SUPPORT SB 1522.

Mahalo nui.