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

ADMINISTRATION

925 DILLINGHAM BOULEVARD, SUITE 257 • HONOLULU, HAWAI'I 96817 PHONE: (808) 768-3392 • FAX: (808) 768-3750 • WEBSITE: honolulu.gov

RICK BLANGIARDI MAYOR *MFIA*



KIMBERLY HASHIRO DIRECTOR

MEGAN JOHNSON DEPUTY DIRECTOR HOPE PO'O

February 4, 2025

The Honorable Chris Lee, Chair
The Honorable Lorraine R. Inouye, Vice Chair
and Members of the Senate Committee on Transportation
and Culture and the Arts
State Capitol, Conference Room 224
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Lee, Vice Chair Inouye, and Members of the Senate Committee on Transportation and Culture and the Arts,

SUBJECT: S.B. No. 1522 - Relating to Vehicle Title Transfers HEARING: Thursday, February 6, 2025, 3:00 p.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 Oʻahu.

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 4, 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,

Digitally signed by Hashiro, Kimberly Date: 2025.02.04

Kimberly M. Hashiro Director Designate