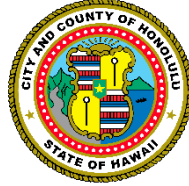


**DEPARTMENT OF CUSTOMER SERVICES**  
**KA 'OIHANA LAWELawe KUPA**  
**CITY AND COUNTY OF HONOLULU**

ADMINISTRATION

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

RICK BLANGIARDI  
MAYOR  
MEIA



KIMBERLY HASHIRO  
DIRECTOR  
PO'O

MEGAN JOHNSON  
DEPUTY DIRECTOR  
HOPE PO'O

March 11, 2025

The Honorable Darius K. Kila, Chair  
The Honorable Tina Nakada Grandinetti, Vice Chair  
and Members of the House Committee on Transportation  
State Capitol, Conference Room 430  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Kila, Vice Chair Grandinetti, and Members of the House Committee on Transportation,

SUBJECT: S.B. No. 1522 - Relating to Vehicle Title Transfers  
HEARING: Thursday, March 13, 2025, 9:00 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, Hawaii 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.

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 in support of S.B. No. 1522.

Sincerely,

Kimberly M. Hashiro  
Director

**SB-1522**

Submitted on: 3/11/2025 2:26:25 PM

Testimony for TRN on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Hayashida	National Kidney Foundation of Hawaii	Support	Remotely Via Zoom

Comments:

**Testimony in Support of S.B. No. 1522****Submitted to the Hawaii State Legislature  
February 18, 2025****Position: Strong Support**

Aloha Chair, Vice Chair, and Members of the Committee,

Thank you for the opportunity to provide testimony in support of **S.B. No. 1522**, which addresses critical issues related to vehicle title transfers and liability under **Section 286-52, Hawai'i Revised Statutes (HRS)**.

Currently, **Section 286-52, HRS**, requires both the transferor (e.g., seller) and transferee (e.g., buyer) to endorse the certificate of ownership, attesting that the information provided—including the transferee's address—is accurate and that the transaction is entered into mutually and knowingly. However, the current system has created significant challenges for transferors who, despite complying with the law, continue to face persistent liability for vehicles they no longer own or possess. This occurs when transferees fail to endorse and submit the vehicle's title to the County Division of Motor Vehicles (DMV) within the specified timeframe.

**S.B. No. 1522** seeks to address this issue by clarifying that a transferor who complies with the statutory requirements—including attesting to the accuracy of the information on the certificate of ownership—shall not be held liable for any violations resulting from the operation of the transferred vehicle. This change aligns with the existing language in **Section 286-52(k), HRS**, which already establishes that a transferor is released from liability upon compliance with the statute.

The Department of Commerce and Consumer Affairs' **Customer Services Division (CSD)** has been working closely with the Office of Senator Karl Rhoads to develop solutions to this problem. CSD supports the intent of **S.B. No. 1522** to retain the core provisions of **Section 286-52, HRS**, while providing much-needed clarity and protection for transferors who act in good faith.

This issue is particularly important for organizations like the **National Kidney Foundation of Hawaii (NKFH)**, which operates a car donation program to support its mission. While the majority of donated vehicles are processed without issue, there have been instances where donors—who generously contribute their vehicles for a good cause—face unnecessary liability due to delays or failures in the title transfer process. Car owners who donate their vehicles to NKFH or other charitable organizations should not have to worry about experiencing liability after their donation. **S.B. No. 1522** would provide these donors with peace of mind, ensuring that their act of generosity does not result in unintended legal or financial consequences.

By passing **S.B. No. 1522**, the Legislature will ensure that transferors, including charitable donors, are not unfairly burdened with liability for vehicles they no longer own or control, while maintaining the integrity of the vehicle title transfer process. This bill strikes a fair balance between protecting transferors and ensuring accountability in vehicle transactions.

For these reasons, I strongly urge the Committee to pass **S.B. No. 1522**. Mahalo for your consideration and for your continued efforts to improve Hawai‘i’s legal framework for the benefit of all residents.

Respectfully submitted,

Glen Hayashida

President & CEO

National Kidney Foundation of Hawaii

**SB-1522**

Submitted on: 3/12/2025 5:28:55 AM

Testimony for TRN on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shaun Pinard	Pacific Auto Auction	Support	Written Testimony Only

Comments:

Aloha members of the committee,

I would like to voice my support and provide testimony for bill S.B. No. 1522. This bill addresses issues related to the title transfer process for motor vehicles.

The current system, under HRS 286-52 puts an undue burden onto the seller (transferor) of a motor vehicle, in that they can comply with the requirements to the letter of the law and still find themselves liable for the actions of the buyer of their vehicle. This bill hopes to clarify the law that is already in existence for the purpose of releasing the seller of liability once the vehicle is transferred from their end.

For example, when a person sells a vehicle, they first sign their title, then file a Notice of Transfer with the DMV. Then they hand that title over to the buyer of the vehicle and the process is now out of their control. The buyer, should then head down to the DMV and have the title transferred into their name. However, there are many failures that can occur here which are beyond the sellers control despite them having done everything to the letter of the law.

If the buyer gets a parking ticket prior to transferring the title, for instance, or the vehicle is involved in a hit and run in a more extreme scenario, the police go back to the person last person on title. If the vehicle wasn't transferred by the buyer, then the seller, despite having complied with current law, is put into a position of having to defend themselves against such claims, sometimes in perpetuity. As you can see this is an undue burden for the seller for which this bill hopes to help alleviate by clarifying HRS 286-52.

While I believe this bill is a good first step in alleviating undue burden on the seller of a motor vehicle more can be done.

Clarifying the release of liability is exceptionally important, but to truly rectify the problem, there must be a mechanism by which the last person on title of the vehicle isn't whom the tickets are posted to. Instead, posting those tickets to the buyer of the vehicle, once a notice of transfer has been submitted would close the loophole that allows the buyer to operate the vehicles while transferring the liability for their decisions to the previous owner.



**SB-1522**

Submitted on: 3/12/2025 5:06:58 PM

Testimony for TRN on 3/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Frank Schultz	Individual	Support	Written Testimony Only

Comments:

I support this initiative.