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January 28, 2025

Committee on Transportation and Culture and the Arts Sen. Chris Lee, Chair Sen. Lorraine R. Inouye, Vice Chair 415 South Beretania Street, Conf. Rm. 224 State Capital Honolulu, HI 96813

> Re: Testimony in Support of S.B. 820 Hearing: January 30, 2025, 3:00 PM

Dear Chair Lee, Vice Chair Inouye and Committee Members:

I am writing to strongly oppose S.B. 820 which would reduce the period in which a transferee is required to forward the certificate of ownership to the director finance when a title of vehicle is transferred from thirty days to fourteen days.

This bill presents a significant and unnecessary burden on the average Hawaii resident—many of whom are already struggling to keep up with the cost of living, daily responsibilities, and financial pressures that seem to grow by the day.

The hardworking people of this state are already walking on a tight rope. We are parents, caregivers, workers juggling multiple jobs, and individuals doing our best to stay afloat in one of the most expensive places to live in the country. Reducing the timeframe for title transfers will only make life harder, forcing residents to drop everything in their busy schedules to meet an arbitrary deadline—or face financial penalties that the average resident cannot afford. This change does not serve the people; it punishes them.

Hawaii already has laws in place regarding vehicle ownership transfers. The current 30-day period allows residents a reasonable window to handle their affairs without undue stress. Shrinking that period to just two weeks fails to consider the realities of life: unexpected work shifts, long lines at government offices, family emergencies, and the simple fact that many of us cannot afford to take time off work to meet an impractical deadline.

This bill serves no one, especially not the everyday people of Hawaii. Instead of enacting legislation that penalizes residents, we should be looking for ways to support them—ensuring that laws accommodate the realities of life rather than making life more difficult.

I urge you to reconsider the impact of S.B. 820. This bill does not promote efficiency; it merely places an unnecessary strain on the very people who keep Hawaii running. Please stand with the working families of this state and reject this proposal.

Sincerely, /s/ Cindy Huynh Deputy Public Defender

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January 28, 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, Hawai'i 96813

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

> SUBJECT: S.B. No. 820 - Relating To Vehicle Titles HEARING: Thursday, January 30, 2025, 3:00 p.m.

The City and County of Honolulu, Department of Customer Services (CSD) opposes 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. While CSD appreciates the intent of the proposed legislation, we have concerns regarding its application and its legal implications.

S.B. No. 820 allows a transferor (e.g., seller, donor) of a motor vehicle to request the CSD Director to legally complete the transfer of a vehicle's title to a transferee (e.g., buyer, recipient), if the transferee fails to endorse and submit the vehicle's title to CSD DMV within a specified period of time. Allowing for the transfer of the title or interest of a legal owner in and to a vehicle to be completed unilaterally by the transferor without also requiring the transferee's attestation that the information provided on the Notice of Transfer form is correct and to confirm the transferee's mutual and knowing assent of the transfer can be easily abused. False or incomplete information could be unilaterally provided by a transferor for a fraudulent or illegitimate purpose. For example, an individual seeking to avoid proper vehicle registration or payment of registration fees may claim that a vehicle was transferred to an alleged buyer or recipient without the alleged buyer's or recipient's knowledge. Then, this other person will be responsible for Testimony for S.B. No. 820 January 28, 2025 Page 2

the payment of motor vehicle registration fees, liability for parking and/or traffic violations, and civil or criminal litigation resulting from operation of the vehicle.

Currently, the transferee's 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 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. 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 Senate Bill No. 1522 (2025) 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 transferred vehicle if the transferor complies with the portions of the statute requiring action on the transferor's part. CSD respectfully suggests that Senate Bill No. 1522 (2025) may address issues of transferors having persistent liability on vehicles for which title and possession have been transferred in a more appropriate manner.

For the reasons above, CSD opposes this measure.

Thank you for this opportunity to provide testimony on S.B. No. 820.

Sincerely,

Kimberly M. Hashiro Director Designate



<u>SB-820</u> Submitted on: 1/30/2025 8:47:29 AM Testimony for TCA on 1/30/2025 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Austin Johnasen	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Lee, Vice Chair Inouye, and members of the Committee on Transportation and Culture and the Arts,

I am opposed to SB820 as 30 days is already short enough, shortening to fourteen days may be too dificult for some traferee's.

Mahalo for the opportunity to testify before this measure,

Austin Johnasen