

JAN 19 2007

---

---

# A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1       SECTION 1. Under existing law, the highway beautification  
2 and disposal of abandoned or derelict vehicles revolving fund  
3 provides a dedicated source of revenue for the counties to use  
4 accordingly, including costs incurred in the disposition of  
5 abandoned and derelict vehicles. A county negotiates with a  
6 private vendor to provide tow services of abandoned and derelict  
7 vehicles. The legislature finds that tow companies are  
8 inadequately compensated for storage fees.

9       The current practice in the city and county of Honolulu is  
10 for the city to request a tow of vehicles from public streets  
11 that are declared abandoned or derelict, those vehicles without  
12 a current registration tag or safety check. The tow company  
13 stores the vehicle until the county notifies the last registered  
14 owner who has ten days to respond. If the owner does not  
15 respond, the county auctions the vehicle which could take up to  
16 three months or more to auction. Meanwhile, no storage fee is  
17 paid by the county unless the vehicle is successfully auctioned.



1 Most times there are no bidders for these abandoned and derelict  
2 vehicles. This results in a considerable loss for the tow  
3 company, which must provide space to store the vehicle until the  
4 vehicle is auctioned.

5 The purpose of this Act is to:

- 6 (1) Allow the counties to use moneys in the highway  
7 beautification and disposal of abandoned or derelict  
8 vehicles revolving fund to negotiate storage fees with  
9 a tow company;
- 10 (2) Increase the motor vehicle registration additional  
11 fee, other than for U-drive vehicles, to be deposited  
12 into the highway beautification and disposal of  
13 abandoned or derelict vehicles revolving fund; and
- 14 (3) Streamline the required time for giving notice to the  
15 owner and for recovery of the vehicle.

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

18 "(b) This part shall be administered by the director of  
19 finance in conjunction with the requirements of sections 249-1  
20 to 249-13 and shall entail no additional expense or charge to  
21 the person registering the ownership of a motor vehicle other  
22 than as provided by this section or by other laws; provided that



1 for each new certificate of ownership issued by the director of  
2 finance under section 286-52, the director of finance may charge  
3 a fee which shall be deposited in the general fund. The fees  
4 charged to issue a new certificate of ownership shall be  
5 established by the county's legislative body.

6 Notwithstanding any other law to the contrary, an  
7 additional fee of not more than \$1 for each certificate of  
8 registration for a U-drive motor vehicle and \$2 for each  
9 certificate of registration for all other motor vehicles may be  
10 established by ordinance and collected annually by the director  
11 of finance of each county, to be used and administered by each  
12 county:

- 13 (1) For the purpose of beautification and other related  
14 activities of highways under the ownership, control,  
15 and jurisdiction of each county; and
- 16 (2) To defray the additional cost in the disposition and  
17 other related activities of abandoned or derelict  
18 vehicles as prescribed in chapter 290[-], including  
19 but not limited to, storage fees as negotiated between  
20 a county and a vendor.

21 The \$2 fee established pursuant to this subsection for  
22 certificates of registration for motor vehicles other than



1 U-drive motor vehicles may be increased by ordinance up to a  
 2 maximum of [~~\$5+~~] \$\_\_\_\_; provided that all amounts received from  
 3 any fee increase over \$2 shall be expended only for the purposes  
 4 of paragraph (2). The moneys so assessed and collected shall be  
 5 placed in a revolving fund entitled, "the highway beautification  
 6 and disposal of abandoned or derelict vehicles revolving fund".

7 SECTION 3. Section 290-11, Hawaii Revised Statutes, is  
 8 amended by amending subsections (b) and (c) to read as follows:

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

- 11 (1) Charge not more than \$55 for a tow, or \$65 for a tow  
 12 using a dolly, plus a mileage charge of \$6.50 per mile  
 13 towed and \$20 per day or fraction thereof for storage  
 14 for the first seven days and \$15 per day thereafter.  
 15 When the tow occurs between the hours of six o'clock  
 16 p.m. and six o'clock a.m., from Monday through  
 17 Thursday and from Friday six o'clock p.m. to Monday  
 18 six o'clock a.m., the towing company shall be entitled  
 19 to an overtime charge of \$15. If the vehicle is in  
 20 the process of being hooked up to the tow truck and  
 21 the owner appears on the scene before the vehicle has  
 22 been moved by the tow truck, the towing company shall



1 unhook the vehicle upon payment by the owner of an  
2 "unhooking" fee of not more than \$50. If the owner is  
3 unwilling or unable to pay the "unhooking" fee, the  
4 vehicle may be towed. In the case of a difficult  
5 hookup, meaning an above or below ground hookup in a  
6 multilevel facility, a towing surcharge of \$30 shall  
7 be applicable;

- 8 (2) Determine the name of the legal owner and the  
9 registered owner of the vehicle from the department of  
10 transportation or the county department of finance.  
11 The legal owner and the registered owner shall be  
12 notified in writing at the address on record with the  
13 department of transportation or with the county  
14 department of finance by registered or certified mail  
15 of the location of the vehicle, together with a  
16 description of the vehicle, within a reasonable period  
17 not to exceed [~~twenty~~] fifteen days following the tow.  
18 The notice shall state:

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



1 (B) The telephone number of the consumer information  
2 service of the department of commerce and  
3 consumer affairs; and

4 (C) That if the vehicle is not recovered within  
5 [~~thirty~~] ten days after the mailing of the  
6 notice, the vehicle shall be deemed abandoned and  
7 will be sold or disposed of as junk.

8 Where the owners have not been so notified, then the  
9 owner may recover the owner's car from the towing  
10 company without paying tow or storage fees; provided  
11 that the notice need not be sent to a legal or  
12 registered owner or any person with an unrecorded  
13 interest in the vehicle whose name or address cannot  
14 be determined. Absent evidence to the contrary, a  
15 notice shall be deemed received by the legal or  
16 registered owner five days after the mailing. A  
17 person, including but not limited to the owner's or  
18 driver's insurer, who has been charged in excess of  
19 the charges permitted under this section may sue for  
20 damages sustained and, if the judgment is for the  
21 plaintiff, the court shall award the plaintiff a sum



1 not to exceed the amount of the damages and reasonable  
2 attorney's fees together with the cost of suit;

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

6 (A) The maximum towing charges and fees allowed by  
7 law; and

8 (B) The telephone number of the consumer information  
9 service of the department of commerce and  
10 consumer affairs; and

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

14 (c) When a vehicle is not recovered within [~~thirty~~] ten  
15 days after the mailing of the notice, it shall be deemed  
16 abandoned and the owner of the towing company, or the owner of  
17 the towing company's authorized representative, after one public  
18 advertisement in a newspaper of general circulation in the  
19 State, may negotiate a sale of the vehicle or dispose of it as  
20 junk."

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





**Report Title:**  
Motor Vehicles

**Description:**  
Clarifies use of additional fee collected by counties for each certificate of registration of U-drive motor vehicles and all other vehicles. Increases the additional registration fee for other than U-drive vehicles. Reduces amount of time between to notify owner of towed vehicle following a tow.

