

LINDA LINGLE GOVERNOR

JAMES R. AIONA, JR. LT. GOVERNOR

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. Box 541

HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 www.hawaii.gov/dcca

PRESENTATION OF DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OFFICE OF CONSUMER PROTECTION

TO THE SENATE COMMITTEES ON TRANSPORTATION AND INTERNATIONAL AFFAIRS AND INTERGOVERNMENTAL AND MILITARY AFFAIRS

TWENTY-FOURTH STATE LEGISLATURE REGULAR SESSION OF 2008

Monday, March 17, 2008 1:30 p.m.

TESTIMONY ON HOUSE BILL NO. 2954 – RELATING TO TOWING.

TO THE HONORABLE J. KALANI ENGLISH AND LORRAINE R. INOUYE, CHAIRS, AND MEMBERS OF THE COMMITTEES:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify in opposition to House Bill No. 2954, Relating to Towing. My name is Stephen Levins, and I am the Executive Director of the Department's Office of Consumer Protection.

House Bill No. 2954 seeks to reinstate towing charges that were just prohibited by this Legislature a mere seven months ago. At that time, the towing law, section 290-

LAWRENCE M. REIFURTH DIRECTOR

RONALD BOYER

Testimony on House Bill No. 2954 March 17, 2008 Page 2 of 2

11 of the Hawaii Revised Statutes, was amended to allow towing companies to increase their fees considerably. Pursuant to Act 269, towing fees increased from \$55 to \$65, dolly towing fees from \$65 to \$75, daily storage fees from \$20 to \$25, and mileage fees from \$6.50 per mile to \$7.50 per mile. In recognition of these significant monetary increases that would be absorbed by Hawaii consumers, the Legislature prohibited overtime charges and unhooking fees. Since nothing has really changed in the past seven months to allow for their reassessment, the Department does not believe that the towing law needs to be changed once again.

Thank you for this opportunity to testify on House Bill No. 2954. I will be happy to answer any questions that the members of the Committees may have.

Hawaii State Towing Association 1040 Makepono Street Honolulu, HI 96819 Phone: (808) 847-7811

Fax: (808) 842-7605

March 14, 2008

Senator J. Kalani English, Chair Senator Mike Gabbard, Vice Chair Committee on Transportation and International Affairs

Senator Lorraine Inouye, Chair Senator Shan S. Tsutsui, Vice Chair Committee on Intergovernmental and Military Affairs

RE: HB2954, Related to Towing

Dear Chair English, Vice Chair Gabbard, Chair Inouye, Vice Chair Tsutsui and Committee Members:

HB2954, Related to Towing proposes to reinstate a provision in the HRS that was mistakenly omitted in the redraft of this section last session. The fee for overtime charges has been \$15.00 for years and is not being changed nor is the times that it is applicable, (6:00 p.m. through 6:00 am, Monday through Thursday and Friday 6:00 p.m. through 6:00 a.m. on Monday). By the time we caught the error it was too late to amend the bill as this fee was neither in dispute nor being changed.

A new section is being added on page 6(f), which requires the towing company to be open 24 hours a day, 7 days a week if they tow and store a car on their premises.

It appears that some consumers have complained that when they arrived in rural areas to pick up their automobile the business was not open. This leads to more costs to the consumer, as the daily storage charge is not waived. Perhaps a penalty for not being available to the consumer should be as you have in HRS 290-11 (b)(2)(c) page 4, line 1, "the owner may recover the owners car from the towing company without paying tow or storage fees."

We assume verification can be made to the police department by filing a complaint.

Mahalo for your consideration of these comments.

Sincerely, Jan Wakayama President