

917

Honolulu, Hawaii

MAR 25 2009

RE: H.B. No. 267
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Transportation, International and Intergovernmental Affairs, to which was referred H.B. No. 267, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY,"

begs leave to report as follows:

The purpose of this measure is to exempt a lessee of a rental motor vehicle from the proof of ownership requirement applicable to the interisland shipping of vehicles.

Your Committee received testimony in support of this measure from Catrala-Hawaii; Avis Rent A Car; Budget Rent A Car; The Hertz Corporation; Enterprise Rent A Car; Alamo Rent A Car; Young Brothers, Limited; and National Car Rental. Written testimony presented to the Committee may be reviewed on the Legislature's website.

This measure provides that a lessee is exempt if:

- (1) The rental motor vehicle is transported by any water carrier authorized by the Public Utilities Commission to transport vehicles interisland;
- (2) The water carrier has a written agreement with the owner of the rental motor vehicle; and



- (3) The water carrier records and retains certain required information.

Your Committee finds that this measure would make it easier for tourists and rental car companies to transport rental cars on interisland water carriers. Your Committee further finds that each rental car company will have the flexibility to streamline and work out the paper requirements with such carriers. This measure should assist in avoiding potential problems and unnecessary delays.

Your Committee has amended this measure by:

- (1) Clarifying the language for specificity; and
- (2) Changing "interisland ferry" to "water carrier" to extend the exemption from the requirements of section 286-271, Hawaii Revised Statutes, relating to vehicle ownership and other information required from a shipper for the interisland shipping of vehicles, to the shipping of rental motor vehicles by all water carriers regulated by the Public Utilities Commission.

As affirmed by the record of votes of the members of your Committee on Transportation, International and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 267, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 267, H.D. 2, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,
International and
Intergovernmental Affairs,



J. KALANI ENGLISH, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Transportation, International and Intergovernmental Affairs
TIA

Bill / Resolution No.:* HB 267, HD2	Committee Referral: TIA, CPN	Date: 3-18-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)	✓			
GABBARD, Mike (VC)	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam	✓			
TOTAL	5	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

A BILL FOR AN ACT

RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY.

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

1 SECTION 1. The purpose of this Act is to ease the
2 interisland transportation of rental motor vehicles. Tourists,
3 from time to time, become frustrated and cancel their plans to
4 take their rental vehicle to a neighbor island by interisland
5 water carrier due to lost or misplaced documents relating to
6 their rental motor vehicle. The passage of this Act will
7 significantly reduce these problems by reducing current
8 restrictions for such documents as they apply to rental motor
9 vehicles.

10 SECTION 2. Section 286-271, Hawaii Revised Statutes, is
11 amended by amending subsection (e) to read as follows:

12 "(e) This section shall not apply to:

13 (1) Any motor vehicle rental company as defined in section
14 431:9A-141 that periodically ships in quantities of
15 ten vehicles or more;

16 (2) Licensed dealers who periodically ship in quantities
17 of ten vehicles or more, or whose primary business is
18 the auction of insurance salvage vehicles; [~~or~~]

- 1 (3) ~~[Drivers]~~ Except for a lessee of a rental motor
2 vehicle under paragraph (4), drivers of vehicles
3 ~~[traveling on an interisland ferry;]~~ transported by
4 any water carrier authorized by the public utilities
5 commission to transport vehicles interisland; provided
6 that ~~[such drivers present]~~ the driver presents
7 identification ~~[of the driver]~~, a current certificate
8 of registration for the vehicle, and proof of motor
9 vehicle insurance. The interisland ~~[ferry]~~ water
10 carrier shall keep a record of transporting the
11 vehicle by recording the vehicle identification number
12 and retaining the information for three years after
13 the date of travel~~[.];~~ or
- 14 (4) A lessee of a rental motor vehicle; provided that:
- 15 (A) The rental motor vehicle is transported by any
16 water carrier authorized by the public utilities
17 commission to transport vehicles interisland;
- 18 (B) The water carrier has a written agreement with
19 the owner of the rental motor vehicle; and
- 20 (C) The water carrier records and retains the
21 information required under subsections (d) and
22 (f).

1 For purposes of this subsection, "lessee" and "rental motor
2 vehicle" have the same meanings as those terms are defined in
3 section 437D-3."

4 SECTION 3. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 4. This Act shall take effect on July 1, 2009.

Report Title:

Motor Vehicle Rental Industry; Interisland Transport

Description:

Eases documentation requirements for rental cars transported by any water carrier authorized to transport vehicles interisland by the State PUC; provided that the water carrier has a written contract with the owner of the rental car, and records and retains certain information about the vehicle and its transport.
(SD1)

Honorable Rosalyn Baker, Chair
Committee on Commerce and
Consumer Protection
Hawaii State Senate
State of Hawaii

Hearing: April 2, 2009

Re: HB 267, HD2 RELATING TO MOTOR VEHICLE RENTAL INDUSTRY

Chair Baker and Honorable Committee Members:

My name is Michael Oh and I am the legislative committee chair for Catrala-Hawaii. Catrala's membership consists of the major u-drive companies in Hawaii and the many businesses which support our industry.

Catrala supports this bill.

This bill will make it easier to transport vehicles by interisland-water carriers. Each u-drive company will have the flexibility to streamline and work out the paper requirements with the carrier. This should ease problems and avoid unnecessary delays.

We urge you to please pass this bill. Thank you for allowing us to testify.

SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

THE HONORABLE ROSALYN H. BAKER, CHAIR
THE HONORABLE DAVID Y. IGE, VICE CHAIR

HOUSE BILL NO. 267, SD 1, scheduled for hearing on April 2, 2009

WRITTEN Testimony of Roy Catalani,
Vice President of Strategic Planning and Government Affairs,
Young Brothers, Limited

Chair Baker, Vice Chair Ige, and Members of the Senate Commerce and Consumer Protection Committee:

Thank you for the opportunity to submit written testimony on House Bill No. 267, Senate Draft 1 (**HB 267, SD 1**).

Young Brothers, Limited (**Young Brothers**) **strongly supports HB 267, SD 1.**

As the legislation recites, the purpose of HB 267, SD 1, is “to ease the interisland transportation of rental motor vehicles.” The legislation proposes to accomplish this purpose by carving out interisland shipment of rental motor vehicles by lessees, or by other drivers, from certain documentation requirements. With recordkeeping and other requirements already in place and as proposed by HB 267, SD 1, the bill will make interisland shipment of rental motor vehicles easier while still maintaining safeguards against the shipment of stolen vehicles.

Thank you for the opportunity to submit written testimony.