



*THE JUDICIARY, STATE OF HAWAII*

**Testimony to the Twenty-Fifth Legislature, Regular Session of 2009**

House Committee on Judiciary  
The Honorable Jon Riki Karamatsu, Chair  
The Honorable Ken Ito, Vice Chair

Tuesday, March 3, 2009, 2:00 p.m.  
State Capitol, Conference Room 325

by  
Iris Murayama  
Deputy Chief Court Administrator  
District Court of the First Circuit

**WRITTEN TESTIMONY ONLY**

---

**Bill No. and Title:** House Bill No. 869, Relating to Rental Motor Vehicles

**Purpose:** Requires that the owner of a rental motor vehicle, upon notice that the rental motor vehicle has been involved in a violation, provide the court with the name and address of the lessee within 60 days of the mailing of the notice.

**Judiciary's Position:**

The Judiciary takes no position on the intent of this bill, but does wish to comment on certain operational aspects.

It is anticipated that there will be an increase in paperwork and demand on the judicial and staff resources if this measure allows 60 days rather than 45 days for rental or U-drive motor vehicle companies to respond. Currently, a person has 21 days to either pay the fine, court costs, and fees *or* request a hearing for a citation under HRS §291D-6. If a person fails to pay or communicate with the court, a default judgment is entered under HRS §291D-7(e) and the court is required to automatically generate a letter to the rental or U-drive motor company (the lessor). The lessor has 30 days to respond by paying or contesting the citation.



House Bill No. 869, Relating to Rental Motor Vehicles  
House Committee on Judiciary  
March 3, 2009  
Page 2

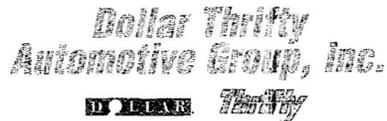
On the 31<sup>st</sup> day, a stopper is placed on a person's driver's license and/or motor vehicle registration under HRS §291D-10. After another 60 days, the judgment becomes the responsibility of the collection agency for collecting the fines, fees, and court costs. If the judgment remains outstanding on the 90<sup>th</sup> day after the default judgment is generated, it is electronically sent to the collection agency.

Extending the window of time from 45 days to 60 days for the rental or U-drive motor company (the lessor) to respond with the renter information to the courts will coincide with the automated referral of these cases to the collection agency. There is no mechanism in place with the Department of Motor Vehicle (DMV) to distinguish the rental cars from any other registered vehicle. This bill will create additional manual labor for staff to review each vehicle plate in order to determine if the registered owner(s) of the vehicle is a U-drive company. Manual intervention by staff would be necessary as the mail-out date is required to be part of the case history. This process would decrease the number of notices that each of the courts could print and thus negatively impact the collection of funds.

In addition, staff would need to know the names of all car rental companies because the registered owner(s) may not be the same as the name registered at the DMV.

If the rental agency does not submit any type of paperwork until the 60<sup>th</sup> day, it may cause the Judiciary to become inundated with additional manual work processes, which may result in delays and may cause some cases to be referred to the Credit Bureau in error, thus creating additional problems.

Thank you for the opportunity to comment on this bill.



Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Souki and Committee Members:

My name is Garrick Higuchi and I am the Area Director of Dollar Rent A Car and Thrifty Car Rental in Hawaii.

We support Catrala-Hawaii's position on this bill with proposed HD1.

The Judiciary is late sending out citation information and some information being received is for tickets 2 years old. It is difficult to find and locate records and respond in time to avoid payment of penalties and to meet deadlines when requests are for citations that are so old. The Judiciary and/or their collection agency assisting the Judiciary needs to be more timely to be fair to u-drive companies.

The passage of this bill with amendments will correct problems now faced by the u-drive industry as well as the setting of more realistic deadlines.

Thank you for allowing us to testify on this bill.

**DTG Operations, Inc.**  
1600 Kapiolani Blvd.  
Ste. 825  
Honolulu, HI 96814  
808-952-4242  
Fax 808-952-4255

Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

**Re: HB 869 Relating to Rental Motor Vehicles**

Honorable Chair Souki and Committee Members:

My name is Martin Mylott and I am the Hawaii Regional Manager of Avis Rent A Car and Budget Rent A Car Hawaii.

We support CATRALA-Hawaii's position on this bill with proposed HD1.

The Judiciary is late sending out citation information and some information being received is for tickets 2 years old. It is difficult to find and locate records and respond in time to avoid payment of penalties and to meet deadlines when requests are for citations that are so old. The Judiciary and/or their collection agency assisting the Judiciary needs to be more timely to be fair to car rental companies.

The passage of this bill with amendments will correct problems now faced by the car rental industry as well as the setting of more realistic deadlines.

Thank you for allowing us to testify on this bill.



3103 North Nimitz Highway  
Honolulu, HI 96819

Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Karamatsu and Committee Members:

My name is Dave Wilson and I am the Regional Fleet Manager with Alamo Rent A Car.

Alamo supports Catrala-Hawaii's position on this bill, with the proposed HD1. At times, the Judiciary is late in sending out citation information; we have learned that sometimes information can be as much as two years old. When there are such significant delays, it is difficult to locate records to respond in time to avoid payment of penalties. More timely dissemination of information to the u-drive companies will be greatly appreciated.

In the meantime, the passage of H.B. 869 with Catrala's proposed HD1 will correct problems now faced by the u-drive industry, and will set more realistic deadlines.

Thank you for allowing us to testify on this bill.

A handwritten signature in black ink, appearing to read "D. Wilson", written over a horizontal line.

Dave Wilson  
Regional Fleet Manager



544 Ohohle Street  
Honolulu, HI 96819  
808-836-0130  
enterprise.com

Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Karamatsu and Committee Members:

My name is Paul Kopel and I am the V.P./General Manager with Enterprise Rent A Car.

Enterprise supports Catrala-Hawaii's position on this bill, with the proposed HD1. At times, the Judiciary is late in sending out citation information; we have learned that sometimes information can be as much as two years old. When there are such significant delays, it is difficult to locate records to respond in time to avoid payment of penalties. More timely dissemination of information to the u-drive companies will be greatly appreciated.

In the meantime, the passage of H.B. 869 with Catrala's proposed HD1 will correct problems now faced by the u-drive industry, and will set more realistic deadlines.

Thank you for allowing us to testify on this bill.

Paul Kopel  
V.P./General Manager



3103 N. Nimitz Highway, Ste A

Honolulu, HI 96819

Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Karamatsu and Committee Members:

My name is Chris Sbarbaro and I am the V.P of Rental with National Car Rental.

National supports Catrala-Hawaii's position on this bill, with the proposed HD1. At times, the Judiciary is late in sending out citation information; we have learned that sometimes information can be as much as two years old. When there are such significant delays, it is difficult to locate records to respond in time to avoid payment of penalties. More timely dissemination of information to the u-drive companies will be greatly appreciated.

In the meantime, the passage of H.B. 869 with Catrala's proposed HD1 will correct problems now faced by the u-drive industry, and will set more realistic deadlines.

Thank you for allowing us to testify on this bill.

A handwritten signature in black ink, appearing to read "Chris Sbarbaro", written over a horizontal line.

Chris Sbarbaro  
V.P.of Rental



The Hertz Corporation  
677 Ala Moana Blvd. STE 916  
Honolulu, HI 96813

Honorable Jon Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Karamatsu and Committee Members:

My name is Cipriana Roman and I am the Administrative Manager with The Hertz Corporation.

We support Catrala-Hawaii's position on this bill with proposed HD1.

In the past the Judiciary has been late in sending out citation records with some information being received as far back as 2 years. It is difficult to research such dated records in order to respond timely and avoid the penalties. Deadlines for payment are hard to meet as several added steps are required when requests for citations are over six months old. The Judiciary and/or their collection agency assisting the Judiciary need to be delivered on a timelier basis for it to be fair to the u-drive industry.

The passage of this bill with the amendments will correct problems now faced by the u-drive industry as well as the setting of more realistic deadlines.

Thank you for allowing us to testify on this bill.

Respectfully,

A handwritten signature in black ink that reads "Cipriana Roman".

Cipriana Roman  
Administrative Manager, Hawaii

Honorable John Riki Karamatsu  
Chair, Committee on Judiciary  
House of Representatives  
State of Hawaii

Hearing: March 3, 2009

Re: HB 869 Relating to Rental Motor Vehicles

Honorable Chair Karamatsu and Committee Members:

My name is Michael Oh and I am the legislative committee chairman for Catrala-Hawaii which represents the major u-drive companies in Hawaii and the many businesses which support our industry.

Catrala supports this bill with amendments. Please see attached proposed HD1.

Recently u-drive companies have been receiving citations dated 2006 and 2007 which makes it difficult for the companies to look up the names and addresses of the drivers and provide such information to the courts on a timely basis. Further, recently u-drive companies apparently are being contacted about summons and citations for which they have no record of receiving notices of the summons and/or citations with required information as required by law. Finally, for many u-drive vehicles the registered owner is the parent company located on the mainland and thus it takes extra time for the parent company to receive the notice, process the notice and contact the Hawaii offices to provide the required information about the driver of the vehicle to the courts. This bill seeks to help correct these problems and the meeting of more realistic deadlines.

Your cooperation and understanding in passing this bill in the form of HD1 is appreciated. Thank you for allowing us to testify.

PROPOSED

H.B. NO. 869

HB1

## A BILL FOR AN ACT

RELATING TO RENTAL MOTOR VEHICLES.

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

1 SECTION 1. Upon notice that a rental motor vehicle has  
2 been involved in a violation, the owner of the rental motor  
3 vehicle is currently required to provide a court of competent  
4 jurisdiction with the name and address of the lessee of the  
5 rental motor vehicle within forty-five days.  
6 (1) REQUIRE COURT TO MAIL THE SUMMONS OR CITATION TO THE LESSOR  
7 The purpose of this Act is to: (1) extend the period of WITHIN  
8 time within which the owner must provide the lessee's name and SIXTY  
9 address from forty-five days to sixty days; and (2) clarify that DAYS;  
10 the period of time within which the owner must provide the  
11 lessee's name and address begins on the date of the mailing of  
12 the notice.  
13 SECTION 2. Section 291D-3.5, Hawaii Revised Statutes, is  
14 amended to read as follows:  
15 "[~~F~~]§291D-3.5 [~~F~~] U-drive vehicles; traffic infractions.  
16 Notwithstanding any other law to the contrary, except those  
17 pertaining to the care and maintenance of the vehicle, if the  
18 registered owner of record is the lessor of a rental or U-drive  
19 motor vehicle, as defined in section 286-2, pursuant to a

HB LRB 09-1575.doc



1 written lease agreement, the lessee at the time of the issuance  
 2 of the traffic infraction shall be responsible for such summons  
 3 or citation; provided that the lessor shall be responsible for  
 4 such summons or citation if the lessor does not provide the  
 5 court having jurisdiction over the summons or citation the name  
 6 and address of the lessee within [~~forty-five~~ sixty days after  
 7 mailing of a notice to a lessor containing the date, time, and  
 8 location of the violation and the license number of the vehicle;  
 9 provided further that if requested by the lessor in writing  
 10 within [~~forty-five~~ sixty days of the mailing of such notice of  
 11 violation other than for parking citations, the administrative  
 12 judge of the court having jurisdiction over the citation or  
 13 summons shall waive the requirement of providing the name and  
 14 address of the lessee by the lessor and impose an administrative  
 15 fee of \$5 per citation on the lessor, plus costs and fees not to  
 16 exceed \$10 in total per violation, notwithstanding section 607-4  
 17 or other sections of the law, county ordinance, or any rule to  
 18 the contrary. In the case of parking citations, the  
 19 administrative judge of the court having jurisdiction over the  
 20 citation or summons may waive the requirement of providing the  
 21 name and address of the lessee by the lessor and impose an  
 22 administrative fee of \$5 per parking citation on the lessor,

*MAILED TO THE LESSOR BY THE COURT WITHIN SIXTY DAYS OF THE  
 SUMMONS OR CITATION AND IF*

HB LRB 09-1675.doc



