

STAND. COM. REP. NO.

467

Honolulu, Hawaii

MAR 05 2009

RE: S.B. No. 520

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 Commerce and Consumer Protection, to which
was referred S.B. No. 520 entitled:

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

begs leave to report as follows:

The purpose of this measure is to specify the types of
documents and other evidence that are sufficient to provide a used
car dealer with indicia of ownership or right to possession of a
used motor vehicle.

Your Committee received testimony in support of this measure
from Hawaii Automobile Dealers Association and First Hawaiian
Bank. Testimony in opposition to this measure was received from
the Honolulu Police Department, Hawaii Insurers Council, and one
private citizen. Testimony with comments on this measure was
received from the Motor Vehicle Industry Licensing Board, State
Farm Insurance, and one private citizen. Written testimony
presented to the Committee may be reviewed on the Legislature's
website.

Your Committee finds that under the current law, it is
sufficient that a motor vehicle dealer present proof of possession
of a legal ownership certificate for a vehicle that is sold or
offered for sale. The current law does not require actual
possession of the ownership certificate, nor does it specify what
proof of possession is sufficient.



Your Committee has amended this measure by:

- (1) Deleting language relating to "reasonable indicia of ownership or right of possession" and examples of indicia of ownership;
- (2) Adding provisions to distinguish between documentary requirements for new and used motor vehicles;
- (3) Adding a provision to specify that a dealer shall possess evidence that all liens on a used motor vehicle have been satisfied; and
- (4) Making technical, nonsubstantive changes for the purposes of clarity and accuracy.

Your Committee received testimony from the Motor Vehicle Industry Licensing Board and other parties that the stakeholders on this measure have agreed on amended language to clarify this measure and to provide more protection for consumers. Your Committee finds that this measure, as amended, balances consumers' interest in ensuring clear title to a motor vehicle and motor vehicle dealers' interest in efficiently selling their stock.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 520, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 520, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,


ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 520</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-25-09</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred				✓
TOTAL	5			2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">David Y. Ige</div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes