STAND. COM. REP. NO.

Honolulu, Hawaii FEB 09 2011

RE: S.B. No. 35

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Transportation and International Affairs, to which was referred S.B. No. 35 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- Clarify that the same procedures, protections, rights, and remedies provided to auto dealers under Act 164, Session Laws of Hawaii 2010, also apply to distributors that are not manufacturers; and
- (2) Delete a definition of "good faith" that is no longer necessary, as it is not used in the paragraph in which it was intended to apply.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the Motor Vehicle Industry Licensing Board, the Hawaii Automobile Dealers Association, and the Alliance of Automobile Manufacturers.

According to testimony of the Department of Commerce and Consumer Affairs, this measure reconciles existing language with part II of chapter 437, Hawaii Revised Statutes, relating to the Motor Vehicle Industry Licensing Act, which was added by Act 164, Session Laws of Hawaii 2010. This measure applies those provisions to distributors, as originally intended by Act 164. Act 164 established certain rights and duties among motor vehicle



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dealers, distributors, and manufacturers and originally intended to apply certain provisions to distributors as well, but those provisions were mistakenly omitted from the final Act.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 35 and recommends that it pass Second Reading and be referred to the Committee on Commerce and Consumer Protection.

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

ENGLISH,

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Transportation and International Affairs TIA

Bill / Resolution No.:* Committee Referral: Date:					
SB 35 TIA, CPN 2/7/11					
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)		~			
ESPERO, Will (VC)		./			
DELA CRUZ, Donovan M.		/			
GABBARD, Mike		$\overline{}$			
KAHELE, Gilbert					
KOUCHI, Ronald D.		\sim			
SLOM, Sam		/			
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TOTAL	. *	7			
Recommendation:					
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