JAN 2 4 2013

### A BILL FOR AN ACT

RELATING TO HIGHWAY SAFETY.

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

- 1 SECTION 1. The legislature finds that new cars sold within
- 2 the State of Hawaii are typically covered under warranties
- 3 lasting a minimum of three years or thirty-six thousand miles.
- 4 As Hawaii drivers do not typically exceed thirty-six thousand
- 5 miles within two, or even three years of purchasing a new car,
- 6 requiring drivers to obtain a certificate of inspection within
- 7 two years of purchasing a new car imposes an undue burden on new
- 8 car drivers and is not in the best interest of the State.
- 9 In 2011, the legislature approved S.B. No. 1416, S.D. 1,
- 10 H.D. 1, which would have extended the period in which an owner
- 11 of a new car is exempted from obtaining a certificate of
- 12 inspection from two years to three years from the date of
- 13 purchase. The measure was subsequently vetoed by the governor,
- 14 based on the belief that delaying an inspection by one year
- 15 would increase the likelihood that faults not covered by a
- 16 warranty may occur and not be discovered.
- 17 During legislative hearings on S.B. No. 1416, testimony
- 18 noted that defects such as head lamps, stop lamps, signal lamps,



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    expired registration, and expired vehicle liability insurance
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    cards would not be discovered, but no factual information was
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    presented to substantiate this statement. In addition, the
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    department of transportation testified in support of the intent
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    of the measure, requesting only a later starting date to allow
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    adequate time to order the stickers needed to implement the
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    measure.
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         The legislature further finds that in 2008, the North
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    Carolina General Assembly Program Evaluation Division released a
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    report entitled: "Doubtful Return on the Public's $141 Million
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    Investment in Poorly Managed Vehicle Inspection Programs".
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    report included an extensive review of other jurisdictions'
    requirements at the time, and found that twenty-seven states and
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    Washington, D.C., did not have safety inspection programs and
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    ten states provided three-year exemptions for new vehicles.
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         The report recommended that North Carolina reevaluate the
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    need for a safety inspection program, as the "impact of the
18
    safety program is difficult to measure", or consider exempting
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    vehicles from the three newest model years, which would "allow
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    the state to focus on ensuring cars that are more likely to fail
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    are getting inspected".
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## S.B. NO. 955

The legislature also finds that technological advances and 1 2 efficiencies in materials and processes in the manufacturing of 3 automobiles and its parts or accessories over the past decade have become more reliable and resistant to general wear-and-4 5 tear. Specifically, the vehicles coming off the assembly line 6 and into our communities today are expected to have a stronger 7 likelihood of not failing a safety inspection within their 8 initial three years of operation than similar vehicles that were 9 manufactured a decade ago. According to the Center for 10 Automotive Research in 2010, between \$16,000,000,000 and 11 \$18,000,000,000 is spent each year by the automotive industry on 12 research and development, which includes vehicle safety aspects. 13 The legislature finds that the amount of funds dedicated to 14 research and development increases the likelihood that future 15 automobiles will be even safer to operate than they are today. 16 The purpose of this Act is to extend the period in which an 17 owner of a new car is exempted from obtaining a certificate of 18 inspection from two years to three years from the date of 19 purchase. SECTION 2. Section 286-26, Hawaii Revised Statutes, is 20

amended by amending subsection (b) to read as follows:

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1 "(b) All other vehicles, including motorcycles, trailers, semitrailers, and pole trailers having a gross vehicle weight 2 rating of 10,000 pounds or less, and antique motor vehicles as 3 defined in section 249-1, except those in subsections (c) and 4 5 (d), shall be certified as provided in subsection (e) every 6 twelve months; provided that any vehicle to which this 7 subsection applies shall not require inspection within [two] 8 three years of the date on which the vehicle was first sold." 9 SECTION 3. Statutory material to be repealed is bracketed 10 and stricken. New statutory material is underscored.

INTRODUCED BY:

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July

This Act shall take effect on January 1, 2016.

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SECTION 4.

# S.B. NO. 955

### Report Title:

Transportation; Vehicle Inspection Exemption

### Description:

Extends the period in which an owner of a new car is exempted from obtaining a certificate of vehicle inspection from two years to three years from the date of purchase. Takes effect 1/1/2016.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.