JAN 2 2 2016

### A BILL FOR AN ACT

RELATING TO THE MOTOR VEHICLE INDUSTRY LICENSING ACT.

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

- 1 SECTION 1. Section 437-1.1, Hawaii Revised Statutes, is
- 2 amended as follows:
- 3 1. By amending the definition of "attachment hardware" to
- 4 read:
- 5 ""Attachment hardware" means the body, equipment,
- 6 components, and associated fasteners that directly attach [the
- 7 bumper] to the chassis frame."
- 8 2. By amending the definition of "dealer" to read:
- 9 ""Dealer" includes "auction" as defined in this section or
- 10 any person or entity not expressly excluded by this chapter who
- 11 sells three or more vehicles within a calendar year, or who is
- 12 engaged in the business of selling, soliciting, offering, or
- 13 attempting to negotiate sales, purchases, or exchanges of motor
- 14 vehicles or any interest therein, including options to purchase
- 15 motor vehicles. The dealer must be the franchisee and be
- 16 authorized and able to provide the warranty services of the new

1	motor venicle it sells. The term "dealer" excludes a person who	
2	sells or	purchases motor vehicles in the capacity of:
3	(1)	A receiver, trustee, personal representative,
4	•	guardian, or any other person appointed by or acting
5		under a judgment or order of any court;
6	(2)	A public officer while performing official duties;
7	(3)	A holder of an auction license issued under this
8		chapter when acting within the scope of the license;
9	(4)	An insurance company, finance company, bank, or other
10		financial institution that sells or offers for sale
11		motor vehicles repossessed or foreclosed by it under
12		the terms of a credit sale contract or security
13		agreement;
14	(5)	A person not engaged in the business of selling or
15		purchasing motor vehicles who acquires or disposes of
16		motor vehicles for the person's own personal, family,
17		or business use; provided that the vehicles are
18		acquired or disposed of for the person's use in good
19		faith and not for the purpose of evading any provision

of this chapter;

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1	(6)	A consumer consultant who is not engaged in the
2		business of selling, soliciting, offering, or
3		attempting to negotiate sales or exchanges of motor
4		vehicles or any interest therein for any dealer, and
5		who for a fee provides specialized information and
6		expertise in motor vehicle sales transactions to
7		consumers who wish to purchase or lease motor
8		vehicles; provided that the consumer consultant shall
9		register and pay a fee to the board prior to offering
10		consultant services; or

- (7) A Hawaii bank or its affiliate selling or offering for sale motor vehicles surrendered or redelivered to it under the terms of a lease or sold by it pursuant to a purchase option contained in a lease."
- 3. By amending the definition of "manufacturer" to read:
  ""Manufacturer" means any person, resident or nonresident,
  who is engaged in the business of manufacturing or assembling
  new motor vehicles[-] that have its motor vehicle identification
- new motor vehicles [+] that have its motor vehicle identification
- 20 4. By amending the definition of "motor vehicle" to read:

number (VIN) on the motor vehicle."

- 1 ""Motor vehicle" includes any vehicle, motor vehicle, or
- truck, as defined in sections 249-1 and 249-2, that are self-2
- propelled, except for tractors, trailers, and amphibious 3
- vehicles." 4
- 5 SECTION 2. Statutory material to be repealed is bracketed
- and stricken. New statutory material is underscored. 6
- SECTION 3. This Act shall take effect upon its approval. 7

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INTRODUCED BY:

## S.B. NO. 2525

### Report Title:

Motor Vehicle Industry Licensing Act

### Description:

Clarifies the definitions of "attachment hardware", "dealer", "manufacturer", and "motor vehicle" in the motor vehicle industry licensing act.

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