THE SENATE TWENTY-EIGHTH LEGISLATURE, 2016 STATE OF HAWAII S.B. NO.  $^{2857}_{S.D.2}$ 

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### A BILL FOR AN ACT

RELATING TO TOWING.

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

1	SECTION 1. Section 290-11, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"§290-11 Vehicles left unattended on private and public
4	property; sale or disposition of abandoned vehicles. (a) As
5	used in this section:
6	"Hooked up" means completely and securely attached and
7	fastened to the tow truck by means of clamps, couplings, straps,
8	tow bars, and other mechanical devices that are specifically
9	designed to prevent the vehicle from dropping off or detaching
10	from the tow truck in any way or otherwise shifting in any
11	manner.
12	"Scene" means the location of the vehicle while it is in
13	the process of being hooked up, or the location where it was
14	hooked up, and anywhere within a -foot radius of that
15	location.
16	"Vehicle owner" means any person, other than the towing
17	company, who has possession of or any other interest in the
18	vehicle, including but not limited to the legal or registered
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2 chapter 437D, and any person in possession of the key or remote 3 keyless ignition system to the vehicle. 4 [<del>(a)</del>] (b) Notwithstanding any other provision of this 5 chapter, any vehicle left unattended on private or public property without authorization of the owner or occupant of the 6 7 property, may be towed away at the expense of the vehicle owner 8 [of the vehicle], by order of the owner, occupant, or person in 9 charge of the property; provided that there is posted a notice 10 prohibiting vehicles to park on the property without 11 authorization. The notice shall state that the vehicle will be 12 towed and held at the expense of the vehicle owner, as well as the name, address, and a telephone number of the facility where 13 14 the vehicle will be towed and held. The notice shall be of such 15 size and be placed in a location that is clearly visible to the 16 driver of a vehicle approaching any individual marked or 17 unmarked parking space; provided that where an entire parking 18 lot consists of restricted parking spaces, placement of the 19 notice at each entrance of the parking lot shall suffice. 20 [(b)] (c) Towing companies engaged by the owner, occupant,

owner of the vehicle, the person renting the vehicle pursuant to

21 or person in charge of the property shall:

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1	(1)	Charge not more than \$65 for a tow, or \$75 for a tow
2		using a dolly, plus a mileage charge of \$7.50 per mile
3		towed and \$25 per day or fraction thereof for storage
4		for the first seven days and \$20 per day thereafter.
5		In the case of a difficult hookup, meaning an above or
6		below ground hookup in a multilevel facility, a towing
7		surcharge of \$30 shall be applicable. When the tow
8		occurs between the hours of six o'clock p.m. and six
9		o'clock a.m., from Monday through Thursday and from
10		six o'clock p.m. Friday to six o'clock a.m. Monday,
11	ι,	the towing company shall be entitled to an overtime
12		charge of \$15[ <del>. If the vehicle is in the process of</del>
13		being-hooked up-or is hooked-up to the tow-truck and
14		the owner appears on the scene, the towing company
15		shall unhook the vehicle and shall not charge any fee
16		to the owner of the vehicle. In the case of a
17		difficult hookup, meaning an above or below-ground
18		hookup in a multilevel facility, a towing surcharge of
19		\$30 shall be applicable];
20	(2)	If the vehicle is in the process of being hooked up
21		and the vehicle owner appears on the scene, release

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1		the vehicle to the vehicle owner at a location that
2		ensures the safety of all persons and property
3		involved, regardless of whether the release occurs on
4		the scene or if the vehicle must be removed from the
5		scene to be safely released; provided that no fee will
6		be charged to the vehicle owner;
7	[ <del>(2)</del> ]	(3) Determine the name of the legal owner and the
8		registered owner of the vehicle from the department of
9		transportation or the county department of finance.
10		The legal owner and the registered owner shall be
11		notified in writing at the address on record with the
12		department of transportation or with the county
13		department of finance by registered or certified mail
14		of the location of the vehicle, together with a
15		description of the vehicle, within a reasonable period
16		not to exceed fifteen days following the tow. The
17		notice shall state:
18		(A) The maximum towing charges and fees allowed by
19		law;

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1	(B) The telephone number of the consumer information
2	service of the department of commerce and
3	consumer affairs; and
4	(C) That if the vehicle is not recovered within
5	thirty days after the mailing of the notice, the
6	vehicle shall be deemed abandoned and will be
7	sold or disposed of as junk.
8	Where the [ <del>owners</del> ] <u>legal owner and the registered</u>
9	owner have not been [ <del>so</del> ] notified[ <del>, then the owner</del> ]
10	pursuant to this paragraph, the vehicle may [ <del>recover</del>
11	the owner's car] be recovered by the vehicle owner
12	from the towing company without paying tow or storage
13	fees[ <del>; provided that the</del> ]. The notice need not be
14	sent to a legal or registered owner or any person with
15	an unrecorded interest in the vehicle whose name or
16	address cannot be determined. Absent evidence to the
17	contrary, a notice shall be deemed received by the
18	legal or registered owner five days after the
19	mailing[ <del>. A person, including but not limited to the</del>
20	owner's-or driver's insurer, who-has been-charged in
21	excess of the charges permitted under this section may

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1		sue for damages sustained and, if the judgment is for
2		the plaintiff; the court shall award the plaintiff a
3		sum-not-to 'exceed the amount of the damages and
4		reasonable attorncy's fees together with the cost of
5		suit];
6	[ <del>(3)</del> ]	(4) Provide, when a vehicle is recovered by the
7		vehicle owner before written notice is sent by
8		registered or certified mail, the <u>vehicle</u> owner with a
9		receipt stating:
10		(A) The maximum towing charges and fees allowed by
11		law; and
12		(B) The telephone number of the consumer information
13		service of the department of commerce and
14		consumer affairs; and
15	[ <del>(</del> 4)]	(5) Accommodate payment by the <u>vehicle</u> owner for
16		charges under paragraph (1) by cash and by either
17		credit card or automated teller machine located on the
18		premises.
19	[ <del>(c)</del> ]	(d) When a vehicle is not recovered within thirty
20	days afte:	r the mailing of the notice, it shall be deemed
21	abandoned	and the owner of the towing company, or the owner of

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the towing company's authorized representative, after one public
advertisement in a newspaper of general circulation in the
State, may negotiate a sale of the vehicle or dispose of it as
junk.

5  $\left[\frac{d}{d}\right]$  (e) The authorized seller of the vehicle shall be 6 entitled to the proceeds of the sale to the extent that 7 compensation is due the authorized seller for services rendered 8 in respect to the vehicle, including reasonable and customary 9 charges for towing, handling, storage, and the cost of the 10 notices and advertising required by this part. Any remaining 11 balance shall be forwarded to the legal or registered owner of 12 the vehicle if the legal or registered owner can be found. Ιf 13 the legal or registered owner cannot be found, the balance shall 14 be deposited with the director of finance of the State and shall be paid out to the legal or registered owner of the vehicle if a 15 16 proper claim is filed therefor within one year from the 17 execution of the sales agreement. If no claim is made within 18 the year allowed, the money shall become a state realization. 19 [<del>(c)</del>] (f) The transfer of title and interest by sale under 20 this part is a transfer by operation of law; provided that if 21 the certificate of ownership or registration is unavailable, a

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1	bill of sale executed by an authorized seller is satisfactory
2	evidence authorizing the transfer of the title or interest.
3	$\left[\frac{f}{f}\right]$ (g) Notwithstanding any law or ordinance to the
4	contrary, including subsection [ <del>(g),</del> ] <u>(i),</u> and section 46-20.5,
5	any towing company engaged in towing in a county with a
6	population greater than five hundred thousand shall offer towing
7	services to consumers twenty-four hours per day every day of the
8	week[ <del>, which</del> ]. The towing services shall include the release of
9	vehicles kept in storage to a [ <del>registered owner, legal owner,</del>
10	insurer,] vehicle owner, or a designated representative.
11	(h) Any person who violates any provision of this section
12	shall be deemed to have engaged in an unfair or deceptive act or
13	practice in the conduct of any trade or commerce within the
14	meaning of section 480-2.
15	$\left[\frac{(g)}{(i)}\right]$ This section shall not apply to a county that
16	has adopted ordinances regulating towing operations."
17	SECTION 2. Section 291C-165.5, Hawaii Revised Statutes, is
18	amended by amending subsection (b) to read as follows:
19	"(b) The towing company shall determine the name of the
20	lien holder and the registered owner of the vehicle from the
21	department of transportation or the county department of

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notified by the towing company in writing at the address on 2 record with the department of transportation or with the county 3 department of finance by registered or certified mail of the 4 location of the vehicle, together with a description of the 5 vehicle, within a reasonable period not to exceed twenty days 6 following the tow. The notice shall state: 7 8 The maximum towing charges and fees allowed by law; (1)9 The telephone number of the county finance department (2) that arranged for or authorized the tow; and 10 That if the vehicle is not recovered within thirty 11 (3) days after the mailing of the notice, the vehicle 12 shall be deemed abandoned and will be sold or disposed 13 14 of as junk. Any towing company engaged in towing pursuant to this section 15 shall comply with the requirements of section 291C-135. 16 When 17 the vehicle is recovered after the tow by the registered owner 18 or lien holder, the party recovering the vehicle shall pay the 19 tow and storage charges which shall not exceed the charges as 20 provided by section [290-11(b)] 290-11(c) or the rates agreed 21 upon with the respective counties, whichever is lower, except

finance. The lien holder and the registered owner shall be

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that tow operators may charge additional reasonable amounts for 1 excavating vehicles from off-road locations; provided that if 2 the notice required by this section was not sent within twenty 3 days after the tow, neither the registered owner nor the lien 4 holder shall be required to pay the tow and storage charges. No 5 notice shall be sent to a legal or registered owner or any 6 7 person with any unrecorded interest in the vehicle whose name or 8 address cannot be determined. A person, including but not 9 limited to the owner's or driver's insurer, who has been charged 10 in excess of the charges permitted under this section may sue 11 for damages sustained, and, if the judgment is for the plaintiff, the court shall award the plaintiff a sum not to 12 exceed the amount of these damages and reasonable attorney's 13 fees together with the cost of the suit." 14 SECTION 3. Statutory material to be repealed is bracketed 15 16 and stricken. New statutory material is underscored. 17 SECTION 4. This Act shall take effect on January 7, 2059.

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## S.B. NO. <sup>2857</sup> S.D. <sup>2</sup>

Report Title: Towing; Vehicle Owner; Hooked Up; Scene; Towing Company; Unfair or Deceptive Act or Practice

#### Description:

Defines "vehicle owner", "scene", and "hooked up" for the purposes of towing unattended vehicles. Establishes a surcharge fee for a difficult hookup. Clarifies that if a vehicle is in the process of being hooked up and the vehicle owner appears on the scene, the towing company is required to release the vehicle at a location that ensures safety to all persons and property involved without a fee charged to the vehicle owner. Makes clarifying amendments. Establishes that violations of the unattended vehicle towing law are violations of the law relating to unfair methods of competition, deceptive acts, or practices. Takes effect on 1/7/2059. (SD2)

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

