STAND. COM. REP. NO.

619

Honolulu, Hawaii

MAR 0 5 2015

RE: S.B. No. 16 S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 16, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOWING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Provide definitions of "hooked up", "scene", and "vehicle owner" to clarify when a vehicle must be released by a towing company;
- (2) Permit a towing charge of \$30 for difficult hookups; and
- (3) Require a date and time stamped photograph of the hooked up vehicle, showing the license plate of the vehicle, when the owner appears on the scene, as evidence that the vehicle is hooked up.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, Honolulu Police Department, and two individuals. Your Committee received testimony in opposition to this measure from Honolulu Towing, Inc. Your Committee received comments on this measure from Waialae Towing and one individual.

Your Committee finds that existing law is in need of clarification regarding when a "hookup" of a vehicle by a towing company occurs, what constitutes the "scene" from which a tow is



initiated, and who is the "vehicle owner" entitled to have the vehicle released from the towing company. The definitions proposed by this measure are intended to clarify the rights of vehicle owners and the duties of tow companies, which should diminish the number of disputes related to towing practices under section 290-11, Hawaii Revised Statutes.

However, your Committee notes the concern raised by the Office of Consumer Protection that the proposed definition of "scene" is ambiguous and overly restrictive. The Office of Consumer Protection noted in testimony that "scene" includes a radius of four feet from where the vehicle is parked, which would mean that a person standing less than a car length away from a vehicle would be unable to request that a tow operator drop the tow. Amendments are therefore necessary to incorporate the suggestions offered by the Office of Consumer Protection, which will help prevent future disputes regarding the application of the requirement to drop a vehicle without a fee when a vehicle owner arrives on the scene.

Accordingly, your Committee has amended this measure by:

- Clarifying that the definition of "scene" includes a radius of fifty feet around the vehicle in certain circumstances, for purposes of a tow truck hooking up a vehicle;
- (2) Specifying that if a vehicle is hooked up, outside of the scene, and the tow operator is in motion, there is no obligation on the part of the towing company to drop the tow and release the vehicle to the vehicle owner; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

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. 16, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 16, S.D. 2.



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

In H

ROSALYN H. BAKER, Chair

2015-1826 SSCR SMA.doc

The Senate Twenty-Eighth Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral: Date			ate: /	~/
SBIG SDI	TRA, CPN			2/2	615
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
BAKER, Rosalyn H. (C)					/
TANIGUCHI, Brian T. (VC)					\bigvee_{I}
KAHELE, Gilbert					
KIDANI, Michelle N.		/			
NISHIHARA, Clarence K.		_ V /			
WAKAI, Glenn			/		
SLOM, Sam			\checkmark		
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TOTAL		كر	1	0	3
Recommendation:	-			- /	
Adopted Not Adopted					
Chair's or Designee's Signature					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
*Only <u>one</u> measure per Record of Votes					