

S.B. NO. 2776

JAN 24 2018

A BILL FOR AN ACT

RELATING TO CITATIONS FOR MOTOR VEHICLE REPAIR VIOLATIONS.

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

1 SECTION 1. Chapter 437B, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§437B- Citation for licensee violations; fines. (a)

5 In addition to any other remedy available under this chapter,
6 the department may issue a citation to any person who holds a
7 motor vehicle repair dealer or motor vehicle repair mechanic
8 license for any of the following violations of this chapter or
9 the rules adopted pursuant to this chapter and chapter 91:

10 (1) Failure of a motor vehicle repair dealer to
11 conspicuously display the dealer's registration
12 certificate or certification certificate in the
13 dealer's place of business;

14 (2) Failure of a motor vehicle repair dealer to
15 conspicuously place a board-approved sign in all the
16 dealer's motor vehicle repair locations; or

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1 (3) Failure of a motor vehicle repair mechanic to carry or
2 have readily available for inspection the pocket card
3 provided to the motor vehicle repair mechanic by the
4 department.

5 (b) Each citation:

6 (1) Shall be in writing and describe the basis of the
7 citation, including the specific statute or rule
8 violated;

9 (2) May contain an order of abatement and the assessment
10 of a fine in the amount of \$250 for each violation by
11 a motor vehicle repair dealer and a fine in the amount
12 of \$100 for each violation by a motor vehicle repair
13 mechanic;

14 (3) Shall be served on the licensee by personal service;
15 and

16 (4) Shall inform the licensee that the licensee may submit
17 a written request to the board or its designee for a
18 hearing to contest the citation, within twenty
19 calendar days from the service of the citation.

20 (c) If the licensee timely submits a written request to
21 the board or its designee for a hearing, the board may designate

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1 a hearings officer to conduct the hearing in accordance with
2 chapter 91.

3 (d) If the licensee does not timely submit a written
4 request to the board or its designee for a hearing, the citation
5 shall be deemed a final order of the board.

6 (e) Failure of a licensee to pay any assessed fine within
7 thirty calendar days, unless the licensee contests the citation,
8 may result in further disciplinary action taken by the board."

9 SECTION 2. This Act does not affect rights and duties that
10 matured, penalties that were incurred, and proceedings that were
11 begun before its effective date.

12 SECTION 3. New statutory material is underscored.

13 SECTION 4. This Act, upon its approval, shall take effect
14 on July 1, 2018.

15

16

INTRODUCED BY:



17

BY REQUEST

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Report Title:

Citations; Motor Vehicle Repair Violations; Fines

Description:

Authorizes the issuance of a citation for specific violations of the motor vehicle repair laws and rules by licensees. Sets forth a process for licensees to contest the citation and provides for the assessment of fines for each violation.

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

JUSTIFICATION SHEET

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DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO CITATIONS FOR
MOTOR VEHICLE REPAIR VIOLATIONS.

PURPOSE: To authorize the issuance of citations to
licensees who violate motor vehicle repair
laws or rules.

MEANS: Add a new section to chapter 437B, Hawaii
Revised Statutes (HRS).

JUSTIFICATION: Currently, there is no mechanism to issue
citations for licensee conduct that violates
chapter 437B, HRS.

This bill authorizes the issuance of
citations to motor vehicle repair licensees
who fail to comply with certain requirements
of the motor vehicle repair laws and rules.

The bill identifies three technical
violations that would trigger the issuance
of a citation to a motor vehicle repair
licensee: (1) failure by a repair dealer to
conspicuously display a registration or
certification certificate; (2) failure by a
repair dealer to conspicuously post required
signage containing board contact
information; and (3) failure by a mechanic
to carry or have readily available for
inspection the pocket card issued by the
Department of Commerce and Consumer Affairs
(Department) indicating proof of
registration.

The bill requires personal service of the
citation and affords the licensee the
opportunity to submit a written request for
a hearing to contest the citation within
twenty calendar days. The bill also
provides that failure to pay any assessed
fine within thirty calendar days may subject
the licensee to further disciplinary action.

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Recent addition of citation authority to other licensing laws have positively impacted RICO's efforts to curb licensing law violations by licensees, to ensure quick compliance, and to more efficiently allocate its resources. The Department believes that the enforcement mechanisms set forth in this bill will significantly enhance its ability to address these categories of violations.

Impact on the public: The public will benefit from quick enforcement against certain violations of the motor vehicle repair licensing laws or rules.

Impact on the department and other agencies: The bill will improve the Department's ability to address technical violations of the motor vehicle repair licensing laws and rules committed by licensees. No impact upon other agencies is anticipated.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: CCA-112.

OTHER AFFECTED
AGENCIES: None..

EFFECTIVE DATE: July 1, 2018.