

STAND. COM. REP. NO. 1268-20

Honolulu, Hawaii

JUL 02 , 2020

RE: S.B. No. 2384  
S.D. 2  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2384, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow any vehicle involved in a motor vehicle accident that cannot be moved under its own power or is otherwise disabled, including a vehicle which constitutes an obstruction or hazard to traffic, to be towed away at the expense of the registered owner;
- (2) Specify the applicable towing and storage fees for a motor vehicle that is involved in an accident and cannot be moved under its own power or is otherwise disabled and constitutes an obstruction or hazard to traffic, but has not been ordered to be towed by the police; and
- (3) Exempt automobile clubs or towing companies operating under a contract with an automobile club, insurer, or motor vehicle manufacturer from motor vehicle towing and storage requirements.

SB2384 HD2 HSCR JUD HMS 2020-2175



Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection, Hawaii Insurers Council, American Property Casualty Insurance Association, GEICO, and National Insurance Crime Bureau.

Your Committee finds that currently, charges and fees for tows authorized by county police for the removal of motor vehicles for traffic violations are specified by law, while charges and fees for disabled motor vehicles due to an accident are not. In addition, some towing companies, when towing motor vehicles involved in an accident, misrepresent that they were sent by police dispatch and then deliberately overcharge consumers for towing services, expecting either the registered owner or the owner's insurance company to pay an exorbitant amount in order to retrieve the vehicle. This measure seeks to prevent such abuse without confusing consumers and possibly binding insurers to pay unreasonably high expenses.

Your Committee has amended this measure by:

- (1) Changing its effective date to September 1, 2020; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2384, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2384, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



CHRIS LEE, Chair



