
A BILL FOR AN ACT

RELATING TO REGISTRATION OF VEHICLES.

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

SECTION 1. Section 286-52, Hawaii Revised Statutes, is amended to read as follows:

"§286-52 Procedure when title of vehicle transferred; delivery of certificate mandatory. (a) ~~[Upon a transfer of]~~ When transferring the title or interest of a legal owner in or to a vehicle registered under this part, the person whose title or interest is to be transferred and the transferee shall write their signatures with pen and ink upon the certificate of ownership issued for the vehicle, together with the address of the transferee in the appropriate space provided upon the certificate.

(b) The person whose title or interest is to be transferred and the transferee shall both appear in person before a clerk at the respective county department of motor vehicles to execute the transfer. If the transferor is not available to appear in person, the transferor shall complete the certificate of ownership, together with the notice of transfer,



1 and sign the certificate of ownership before a notary public in
2 the State or any other state. The transferee and the
3 transferor's representative shall both appear in person and
4 present the notarized document at the county department of motor
5 vehicles when transferring the title to the transferee. This
6 subsection shall not apply in the event that either the
7 transferor or transferee is a dealer as defined in section
8 437-1.1, or the vehicle is transferred as a salvage vehicle
9 under section 286-48.

10 ~~[(b)]~~ (c) Within thirty calendar days ~~[thereafter, the~~
11 ~~transferee shall forward the certificate of ownership so~~
12 ~~endorsed to the director of finance who shall file the same,~~
13 ~~provided that if the recorded lien holder does not have an~~
14 ~~office in the State, the applicable period shall be sixty days.]~~
15 of the date on the notice of transfer, the transferor or
16 representative along with the transferee shall abide by the
17 rules set forth in subsection (b). Whenever a ~~[transferee]~~
18 transferor fails to comply with these provisions, the director
19 of finance shall charge a fee of \$50, in addition to the fee
20 provided in section 286-51~~[, for a new certificate of~~
21 ownership].



1 ~~[(e)]~~ (d) Subsection ~~[(b), requiring a transferee to~~
2 ~~forward the certificate of ownership after endorsement to the~~
3 ~~director of finance,]~~ (c) shall not apply ~~[to]~~ in the event that
4 the transferee of a vehicle who was not intending to and does
5 not drive the vehicle or permit the vehicle to be driven upon
6 the public highways, but every such transferee, upon
7 transferring the transferee's interest or title to another,
8 shall give notice of the transfer to the director of finance and
9 endorse the certificate of ownership to the new legal owner and
10 the certificate of registration to the new owner; provided that
11 if the director of finance has ascertained as of the date of the
12 application that the registered owner has not deposited or paid
13 bail with respect to any summons or citation issued to the
14 registered owner for stopping, standing, or parking in violation
15 of traffic ordinances within the county, the director may
16 require, as a condition precedent to the transfer, that the
17 registered owner deposit or pay bail with respect to all such
18 summons or citations.

19 ~~[(d)]~~ (e) The director of finance, upon receipt of the
20 certificate of ownership properly endorsed, shall register the
21 vehicle, and shall issue to the owner and legal owner entitled



1 thereto by reason of the transfer a new certificate of
2 registration and the certificate of ownership, respectively, in
3 the manner and form hereinabove provided for original
4 registration.

5 ~~[(e)]~~ (f) Until the director of finance has issued the new
6 certificate of registration and certificate of ownership as
7 provided in subsection ~~[(d)],~~ (e), delivery of such vehicle
8 shall be deemed not to have been made and title thereto shall be
9 deemed not to have passed, and the intended transfer shall be
10 deemed to be incomplete and not to be valid or effective for any
11 purpose, notwithstanding any provision of the Uniform Commercial
12 Code; provided that a security interest in a motor vehicle shall
13 be perfected as provided in the Uniform Commercial Code, section
14 490:9-311 and that the validity, attachment, priority, and
15 enforcement of such security interest shall be governed by
16 Article 9 of the Code.

17 ~~[(f)]~~ (g) In the event of the transfer by operation of law
18 of the title or interest of a legal owner in and to a vehicle
19 registered under this part, as upon inheritance, devise, or
20 bequest, order in bankruptcy, or insolvency, execution sale,
21 repossession upon default in performance of the terms of a lease



1 or executory sales contract, or otherwise than by the voluntary
2 act of the person whose title or interest is so transferred, the
3 certificate of ownership shall be signed upon the spaces
4 provided by the personal representative, receiver, trustee,
5 sheriff, or other representative, or successor in interest of
6 the person whose title or interest is so transferred in lieu of
7 such person. Every personal representative, receiver, trustee,
8 sheriff, or other representative hereinabove referred to shall
9 file with the director of finance a notice of any transfer by
10 sale, lease, or otherwise by such person, of any such vehicle,
11 together with evidence satisfactory to the director of finance
12 of all facts entitling such representative to make the transfer.
13 Upon notice given to the director of finance that transfer by
14 operation of law of the title or interest of a legal owner or a
15 registered owner has been effected pursuant to any provision of
16 law, the director of finance shall send to the legal owner or
17 the registered owner or both a notice by registered mail of such
18 action and requesting the delivery to the director of finance of
19 the certificate of ownership or the certificate of registration,
20 as the case may be, within ten days after date of mailing of the
21 notice, and any person who refuses or neglects to deliver the



1 same to the director of finance pursuant to the notice shall be
2 guilty of a misdemeanor and shall be punished as provided in
3 section 286-61.

4 ~~[(g)]~~ (h) Nothing in the foregoing subsections shall
5 prevent a legal owner from assigning the title or interest in or
6 to a vehicle registered under this part to another legal owner
7 at any time without the consent of and without affecting the
8 interest of the holder of the certificate of registration
9 thereof. Upon filing with the director of finance of a
10 certificate of ownership endorsed by the legal owner and a
11 transferee of legal ownership, the director of finance shall,
12 whether the certificate of registration has expired or not,
13 enter the name of the new legal owner upon the records of the
14 director's office and shall forthwith issue a new certificate of
15 ownership to the new legal owner in the form for original
16 registration. Upon so doing, the director of finance shall send
17 to the registered owner a notice by mail of the action.

18 ~~[(h)]~~ (i) Any person who refuses or neglects to deliver a
19 certificate of ownership to a transferee entitled thereto under
20 this part, shall be punished as provided in section 286-61.



1 ~~[(i)]~~ (j) Every dealer, upon transferring a motor vehicle,
2 whether by sale, lease, or otherwise, shall immediately give
3 notice of the transfer to the director of finance upon the
4 official form provided by the director of finance. Every such
5 notice shall contain the date of the transfer, the names and
6 addresses of the transferor and transferee, and such description
7 of the vehicle as may be called for in the official form.

8 ~~[(j)] Every person, other than a dealer, upon transferring~~
9 ~~a motor vehicle, whether by sale, lease, or otherwise, shall~~
10 ~~within ten days give notice of the transfer to the director of~~
11 ~~finance upon the official form provided by the director of~~
12 ~~finance. Every notice shall contain the date of transfer, the~~
13 ~~names and addresses of the transferor and transferee, and such~~
14 ~~description of the vehicle as may be called for in the official~~
15 ~~form. Any person who violates this subsection shall be fined~~
16 ~~not more than \$100.]~~

17 (k) Whenever ~~[the registered owner of any motor vehicle~~
18 ~~or]~~ any licensed dealer has given notice to the director of
19 finance of a transfer of the title or interest in the motor
20 vehicle, as provided in subsection ~~[(i) or]~~ (j), and has
21 delivered the certificate of ownership bearing the transferor's



1 signature to the transferee as required by subsection (a), the
2 transferor shall be relieved from any liability, civil or
3 criminal, from the date the transferor delivers the motor
4 vehicle into the transferee's possession, which the transferor
5 might otherwise subsequently incur by reason solely of being the
6 registered owner of the vehicle.

7 (l) A licensed dealer who has forwarded a properly
8 endorsed certificate of ownership to the director of finance
9 shall be relieved of any civil liability, from the date the
10 transferor delivers the motor vehicle into the transferee's
11 possession, which the transferor might otherwise subsequently
12 incur by reason solely of being the registered owner of the
13 vehicle; provided that a specific written authorization to
14 forward the certificate has been obtained from the transferee.

15 (m) Any person who falsely or fraudulently gives notice to
16 the director of finance of a transfer of title or interest in a
17 motor vehicle shall be subject to the penalty provided in
18 section 286-61."

19 SECTION 2. Section 290-11, Hawaii Revised Statutes, is
20 amended by amending subsection (e) to read as follows:



1 "(e) The transfer of title and interest by sale under this
2 part is a transfer by operation of law, pursuant to the
3 requirements under section [~~286-52(f)~~] 286-52(g)."

4 SECTION 3. Section 437-12, Hawaii Revised Statutes, is
5 amended by amending subsection (b) to read as follows:

6 "(b) Delivery of legal ownership certificate. The legal
7 ownership certificate shall be delivered within the time period
8 specified in section [~~286-52(b)~~] 286-52(c)."

9 SECTION 4. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 5. This Act shall take effect on January 1, 2050.



Report Title:

Hawaii State Association of Counties Package; Registration of Vehicles; Registration Transfer; Personal Delivery; Fees

Description:

Requires a motor vehicle transferor, or the transferor's representative, and transferee to appear in person to execute the transfer of a motor vehicle unless either party is a dealer or the vehicle is being transferred as a salvage vehicle. Subjects motor vehicle transferors to certain fees previously assessed on motor vehicle transferees. Takes effect 1/1/2050. (SD1)

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

