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# HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE HONOLULU  
POLICE DEPARTMENT; CITY AND COUNTY OF HONOLULU DEPARTMENT  
OF CUSTOMER SERVICES, MOTOR VEHICLE, LICENSING, AND PERMITS  
DIVISION; AND DISTRICT COURT OF THE FIRST CIRCUIT.

1           WHEREAS, vehicle owners who sell or otherwise transfer  
2 their vehicles to another person have reported erroneously  
3 receiving traffic citations even though they are no longer the  
4 legal owner of the vehicle; and

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6           WHEREAS, when the transferor of a vehicle signs over the  
7 vehicle's Certificate of Ownership to the transferee of the  
8 vehicle, the transferor is required by law to give notice of the  
9 vehicle transfer to the Director of Finance; and

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11           WHEREAS, the new owner (transferee) of the vehicle has the  
12 responsibility of forwarding the Certificate of Ownership to the  
13 appropriate county Director of Finance; and

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15           WHEREAS, if the transferee fails to forward the Certificate  
16 of Ownership to the appropriate county Director of Finance, the  
17 transferor remains on record as the registered owner of the  
18 vehicle; and

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20           WHEREAS, a situation may occur in which the transferee  
21 commits a traffic infraction, resulting in a parking ticket; a  
22 police officer issues a citation to the vehicle, and if the fine  
23 is not paid by the citation's deadline, a default judgment is  
24 entered against the registered owner -- in this case, the  
25 unwitting transferor; and

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27           WHEREAS, although the transferor has filed a Notice of  
28 Transfer with the appropriate county Director of Finance and  
29 Department of Motor Vehicles (DMV), there are instances in which  
30 the district court is not informed of the Notice of Transfer and  
31 issues a Notice of Default to the transferor; and



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2 WHEREAS, when the transferor receives an erroneous Notice  
3 of Default, the transferor must make multiple appearances in  
4 district court and post a bond to set aside the default  
5 judgment, costing the transferor time and money; and  
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7 WHEREAS, there are many steps in the process where human  
8 error could result in the transferor receiving a Notice of  
9 Default Judgment for traffic infractions committed with a  
10 vehicle that they no longer own, including:  
11

12 (1) The transferor mails the Notice of Transfer, but it  
13 never reaches the DMV;  
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15 (2) The DMV receives the Notice of Transfer, but it is  
16 never processed and filed;  
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18 (3) The district court's automated default judgment  
19 process sends a Notice of Default Judgment despite the  
20 transferor filing a Notice of Transfer;  
21

22 (4) A district court employee has not checked for, or  
23 checked but did not see, a Notice of Transfer prior to  
24 the Notice of Default Judgment being issued;  
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26 (5) The DMV did not provide a complete list of Notices of  
27 Transfer to the district court prior to the district  
28 court entering default judgment; and  
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30 (6) The DMV receives the transferee's signed Certificate  
31 of Ownership but fails to record them as the new  
32 owner; and  
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34 WHEREAS, because it is unclear exactly where procedural  
35 shortfalls occur, an audit is necessary to determine the primary  
36 reasons for a Notice of Default Judgment for a traffic  
37 infraction being issued to a person who no longer owns the cited  
38 vehicle at the time of the traffic infraction; now, therefore,  
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40 BE IT RESOLVED by the House of Representatives of the  
41 Thirty-second Legislature of the State of Hawaii, Regular  
42 Session of 2023, the Senate concurring, that the Auditor is



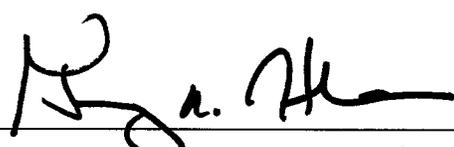
1 requested to conduct an audit of the process of Notice of  
2 Default Judgment for traffic, infractions including actions in  
3 the process taken by the Honolulu Police Department; City and  
4 County of Honolulu Department of Customer Services, Motor  
5 Vehicle, Licensing, and Permits Division; and District Court of  
6 the First Circuit; and

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8 BE IT FURTHER RESOLVED that the Auditor is requested to  
9 include; in the audit:

- 10  
11 (1) A list of Notice of Default Judgments that are issued  
12 to persons who no longer owned the vehicle that was  
13 the cause of the underlying traffic infraction that  
14 lead to the default judgment; provided that the person  
15 who was issued the Notice of Default Judgment filed a  
16 Notice of Transfer;  
17  
18 (2) For each default judgment, the amount of time between  
19 the Notice of Default Judgment was issued and the  
20 resolution of the default judgment; and  
21  
22 (3) For each default judgment, the reason each Notice of  
23 Default Judgment was issued to the person who no  
24 longer owned the vehicle and filed a Notice of  
25 Transfer; and  
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27 BE IT FURTHER RESOLVED that the Auditor is requested to  
28 submit any findings and recommendations, including any proposed  
29 legislation, to the Legislature not later than twenty days prior  
30 to the convening of the Regular Session of 2024; and  
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32 BE IT FURTHER RESOLVED that certified copies of this  
33 Concurrent Resolution be transmitted to the Auditor, Chief of  
34 Police of the Honolulu Police Department, Deputy Chief Judge of  
35 the District Court of the First Circuit, and Director of the  
36 Department of Customer Service of the City and County of  
37 Honolulu.  
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OFFERED BY: 

MAR 10 2023

