

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3287
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Transportation and Culture and the Arts, to which was referred S.B. No. 3287 entitled:

"A BILL FOR AN ACT RELATING TO TOWING COMPANIES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Change the fees that a towing company may charge to tow vehicles left unattended on private and public property; and
- (2) Require certain towing companies to maintain certificates of good standing issued by the Department of Commerce and Consumer Affairs.

Your Committee received testimony in support of this measure from Outwest Towing, LLC; Pinky Tows Pacific; Finest Towing; Quick Tow, LLC; and nine individuals.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs' Office of Consumer Protection and Hawaii Insurers Council.

Your Committee finds that in 2020, the Legislature strengthened the protections available to consumers under state law that was intended to provide more robust public and private enforcement tools to deter unlawful practices by towing companies. According to testimony received by your Committee, towing rates



have not been raised since 2008, even though inflation has caused operating costs to increase dramatically. This measure will allow towing companies to meet current market standards and match towing rates to the current economy.

Your Committee has amended this measure by:

- (1) Amending all fees to be unspecified amounts;
- (2) Deleting language that would have required each towing company engaged in towing to achieve and maintain a certificate of good standing issued by the Department of Commerce and Consumer Affairs;
- (3) Adding language that authorizes a towing company or parking management company to charge a fee for the placement or removal of vehicle immobilization devices;
- (4) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3287, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3287, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
Culture and the Arts,



CHRIS LEE, Chair



