

**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I**  
**OFFICE OF THE DIRECTOR**  
**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

**NADINE Y. ANDO**  
DIRECTOR | KA LUNA HO'OKELE

**JOSH GREEN, M.D.**  
GOVERNOR | KE KIA'ĀINA  
**SYLVIA LUKE**  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

**DEAN I HAZAMA**  
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

**KA 'OIHANA PILI KĀLEPA**  
335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: (808) 586-2850  
Fax Number: (808) 586-2856  
cca.hawaii.gov

**Testimony of the Department of Commerce and Consumer Affairs**

**Office of Consumer Protection**

**Before the**  
**Senate Committee on Commerce and Consumer Protection**  
**Tuesday, February 27, 2024**  
**10:01 AM**  
**Via Videoconference**  
**Conference Room 229**

**On the following measure:**  
**S.B. 3287, S.D. 1, RELATING TO TOWING COMPANIES**

Chair Keohokalole and Members of the Committee:

My name is Mana Moriarty, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department offers comments on this bill and suggests an amendment.

The purposes of this bill are to: 1) change the fees that a towing company may charge to tow vehicles left unattended on private and public property; and 2) allow a towing company or parking management company to charge a fee for the placement or removal of vehicle immobilization devices.

Tow companies are regulated by state law, which sets how much they can charge for a regulated tow (§290-11, HRS), subjects them to penalties for violations of consumer protection law (§480-2, HRS), describes how they must handle tows requested by the police for disabled motor vehicles (§291C-165.5, HRS) and requires

them to have adequate signage and insurance coverage for their tow trucks (§291C-135, HRS). Under current law, OCP is authorized to investigate and bring enforcement actions for violations of consumer protection laws committed by tow companies. In addition, each county has the power to enact and enforce ordinances regulating towing operations (§46-1.5(27), HRS).

In 2020, the Legislature strengthened the protections available to consumers under state law. These amendments were intended, at least in part, to provide more robust private and public enforcement tools to deter unlawful practices by towing companies. However, towing remains an area with a high volume of consumer complaints.

As a part of those amendments, the Legislature mandated that companies shall accommodate payment by “cash, credit, or debit card” (§290-11(b)(5), HRS). The legislative history makes clear that the intention was to strengthen consumer protection by providing consumers with the ability to use alternative methods of payment, taking into consideration that some consumers may not have sufficient funds in their bank accounts to pay towing fees in cash. See Stand. Com. Rep. No 3502, re: HB2162, HD 2. However, the use of the word “or” instead of “and” has emboldened towing companies to skirt the spirit of the amendment<sup>[OBJ]:[OBJ]</sup>. OCP routinely receives complaints that towing companies continue to demand payment in cash, despite ongoing efforts to educate towing companies on their statutory obligations. OCP strongly recommends that the statute be amended to provide clarity that payment by cash, credit, and debit card shall be accepted by tow companies. OCP therefore requests that §290-11(b)(5), HRS be amended as follows (see page 5, lines 18-20):

“(5) ~~Accommodate~~ Accept payment by the vehicle owner for charges under paragraph (1) by cash, credit card, ~~or~~ and debit card. No towing company shall direct an individual to use an on-site automated teller machine in lieu of accepting payment by credit card and debit card.”

OCP supports regulating devices intended to immobilize vehicles in lieu of towing as set forth on page 8, lines 6-8 of this S.D. 1. As in the case with towing, consumers are vulnerable to predatory business practices due to an inherent imbalance of power.

Because the vehicle is rendered inoperable by the immobilization device, and the motor vehicle owner likely relies on their vehicle for day-to-day and emergency transportation needs, the company's leverage is far superior to the individual's. The company is likely to offer terms on a take-it or leave-it basis, secure in the knowledge that very few vehicle owners are likely to pursue a dispute. OCP requests that any company operating such a business be required to accept payment by "cash, credit, and debit card" and recommends the following amendment at page 8, lines 6-8:

"(i) Any company engaged in towing or parking management may charge a maximum of \$\_\_\_ for the placement upon a vehicle or removal from a vehicle of any device designed to immobilize the vehicle. Any towing company or parking management company must accept payment by the vehicle owner for charges under this subsection by cash, credit card, and debit card. No towing company or parking management company shall direct an individual to use an on-site automated teller machine in lieu of accepting payment by credit card and debit card."

Thank you for the opportunity to testify on this bill.

Honolulu, Hawaii

MAY 15 2020

RE: H.B. No. 2162  
H.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Transportation and Commerce, Consumer Protection, and Health, to which was referred H.B. No. 2162, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TOWING,"

beg leave to report as follows:

The purpose and intent of this measure is to protect consumers from predatory towing practices by:

- (1) Clarifying the fees tow companies may charge;
- (2) Clarifying the duties of a tow company when a vehicle owner arrives on the scene while the vehicle is in the process of being hooked up;
- (3) Requiring tow and storage companies to accept credit cards;
- (4) Subjecting any violation of the towing statute to the penalties and remedies under the State's unfair or deceptive acts or practices law; and
- (5) Adding definitions for clarity.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Young

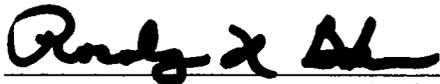


Progressives Demanding Action, and two individuals. Your Committees received testimony in opposition to this measure from Honolulu Towing, Inc.

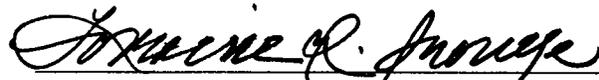
Your Committees find that predatory towing is a combination of various unethical practices used by some towing companies to maximize their income. These practices include using spotters to get cars towed almost as soon as they are parked; charging excessive fees for towing or storage; or making private side deals with owners of stores or parking lots to maximize towing income. Your Committees further find that any of these practices can result in unfair and excessive charges for the vehicle owner. This measure amends the current towing law to provide more protections for vehicle owners whose vehicles are being or have been towed.

As affirmed by the records of votes of the members of your Committees on Transportation and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2162, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committees on Transportation  
and Commerce, Consumer  
Protection, and Health,



ROSALYN H. BAKER, Chair



LORRAINE R. INOUYE, Chair





The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce, Consumer Protection, and Health**  
**CPH**

Bill / Resolution No.:* <b>HB2162 HD2</b>	Committee Referral: <b>TRS/CPH, JDC</b>	Date: <b>3/16/20</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
NISHIHARA, Clarence K.	✓			
RUDERMAN, Russell E.				✓
THIELEN, Laura H.				✓
WAKAI, Glenn	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>5</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-size: 2em; margin-top: 10px;">  </div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

**\*Only one measure per Record of Votes**



1003 Bishop Street  
Honolulu, Hawaii 96813  
Telephone (808) 525-5877

**Alison H. Ueoka**  
President

## TESTIMONY OF ALISON UEOKA

---

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION  
Senator Jarrett Keohokalole, Chair  
Senator Carol Fukunaga, Vice Chair

Tuesday, February 27, 2024  
10:01 a.m.

### **SB 3287, SD1**

Chair Keohokalole, Vice Chair Fukunaga, and members of the Committee on Commerce and Consumer Protection, my name is Alison Ueoka, President of Hawaii Insurers Council. The Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council submits comments on the potential towing increases in this bill. SB 3287, SD1 blanks the amount a towing company may charge for various tows and those that take place during certain times. This bill impacts not only private property tows, but all tows including accident tows.

Any increase in towing costs will ultimately work its way into the cost of auto insurance. From January 2024 to date, both the Wall Street Journal and Bankrate have reported the steep increase in personal auto insurance expenditures nationwide. For instance, on February 5, 2024, Bankrate reported a 26% increase in auto insurance premiums nationally from 2023.

We believe the increase in auto insurance premiums will most adversely affect those who can least afford it and could lead to a higher uninsured motorist population. That in turn may lead to higher costs for uninsured and underinsured motorist coverages as well.

Thank you for the opportunity to testify.



February 25, 2024

**Committee on Commerce and Consumer Protection**

Chair Senator Jarrett Keohokalole

Vice Chair Senator Carol Fukunaga

RE: TESTIMONY – SB3287 SD1 (SUPPORT)

Aloha Senators and Committee Members,

Firstly, Mahalo for hearing Senate Bill SB3287, Relating to Towing Companies.

I am in full support of this senate bill. It is long overdue, and we need your support to move it forward.

It is a real eye opener to see that the tow rates that we currently have are the same rates that's been in place since 2008. That's sixteen years!! That's a long time without any increase, even though the State of Hawaii has the highest cost of living in the Nation. The price for everything has gone up (labor, fuel, insurance, cost to rent/lease commercial space, supplies and equipment to run your business, the cost of shipping to Hawaii, etc). And that's just to name a few.

The towing industry is much needed and deserves to be recognized that it's time to up the rates. No one likes to get towed, whether it's because their car broke down, got into an accident and needed to be towed away or if they parked somewhere illegally.

Over the years, many businesses in Hawaii have had to close due to the hardships they face in trying to stay open. The towing industry has their share of struggles to make ends meet and if our legislature can see that it is time to support our request to increase the tow rates, that will help our industry remain in business.

Mahalo for your time and consideration...Please give us your AYE vote...

Mahalo,

Jeanette Grace

PO Box 701000  
Kapolei, HI 96709  
Phone (808)682-8697

**SB-3287-SD-1**

Submitted on: 2/26/2024 8:41:41 AM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kainoa Ah Sing	Testifying for Finest Towing	Support	Written Testimony Only

Comments:

I support this 100% because every tow truck driver risks their lives out on the roads on a daily..if everything else can go up, gas prices etc...why not this!?

**SB-3287-SD-1**

Submitted on: 2/26/2024 9:21:08 AM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
George Grace III	Testifying for Pinky Tows	Support	Written Testimony Only

Comments:

Good Morning Senators & Committee Members,

I am in strong support of SB3287. As a third generation towman and a business owner, I can say that this bill is over due and needs to be passed. Hawaii has the highest cost of living in the nation and I don't see it going down. We face the rising cost of everything (labor, fuel, insurance, equipment, supplies, shipping from the US) on the daily.

If this issue was addressed years ago and we had rate increases in increments since 2008 til now, that would have helped many tow businesses survive. As it stands, this is an issue that has been supported prior. We ask that you come and support us now.

Our industry is not a likeable one and no one likes to be towed, whether it was because of an accident, car troubles or parking illegally. The towing industry is a much needed one and it is only fair that we are allowed to receive a much deserved increase. An increase that matches the cost of living in Hawaii.

There was a comment that if the rates increase, that the insureds will be faced with increased premiums. Well, we are already paying an increase of insurance premiums without having the tow rates increased. That should not be a deterrent in allowing the State to approve the increase.

Good example, a hamburger steak plate lunch in 2008 cost about \$7.60 and now 16 years later you are looking at paying close to \$18.00. The price increased as the cost of doing business in Hawaii forced businesses to raise their prices to make ends meet. The towing industry does not have that ability to raise the rates as needed. That comes from our legislature... our Senators and Representatives that we vote into office.

We ask that you support SB33287 and pass this bill so it can be moved forward.

Much Mahalo,

George Grace III

---

---

# A BILL FOR AN ACT

RELATING TO TOWING COMPANIES.

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

1           SECTION 1. Section 290-11, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§290-11 Vehicles left unattended on private and public**  
4 **property; sale or disposition of abandoned vehicles.** (a)

5 Notwithstanding any other provision of this chapter, any vehicle  
6 left unattended on private or public property without  
7 authorization of the owner or occupant of the property, may be  
8 towed away at the expense of the vehicle owner, by order of the  
9 owner, occupant, or person in charge of the property; provided  
10 that there is posted a notice prohibiting vehicles to park on  
11 the property without authorization. The notice shall clearly  
12 state, in not less than two-inch high, light reflective letters  
13 on a contrasting background, that the vehicle parked without  
14 authorization will be towed and held at the expense of the  
15 vehicle owner, as well as the name, address, and a telephone  
16 number of the facility where the vehicle will be towed and held.  
17 The notice shall be of [~~such~~] a size and be placed in a location



1 that is clearly visible to the driver of a vehicle approaching  
2 any individual marked or unmarked parking space; provided that  
3 where an entire parking lot consists of restricted parking  
4 spaces, placement of the notice at each entrance of the parking  
5 lot shall suffice.

6 (b) Towing companies engaged by the owner, occupant, or  
7 person in charge of the property shall:

8 (1) Charge not more than [~~\$65~~] either:

9 (A) \$ 145.00 for a tow [~~7~~] occurring between the  
10 hours of six o'clock a.m. and six o'clock p.m.,  
11 from Monday through Friday;

12 (B) \$ 195.00 for a tow occurring between the hours  
13 of six o'clock p.m. and six o'clock a.m., from  
14 Monday through Thursday or from six o'clock p.m.  
15 Friday to six o'clock a.m. Monday; or [~~\$75~~]

16 (C) \$ 220.00 for a tow using a dolly,  
17 plus a mileage charge of [~~\$7.50~~] \$ 14.50 per mile  
18 towed and [~~\$25~~] \$ 50.00 per day or fraction  
19 thereof for storage for the first seven days and [~~\$20~~]  
20 \$ 45.00 per day thereafter. In the case of a  
21 difficult hookup, a towing surcharge of [~~\$30~~]



1           \$ 125.00 shall apply. [~~When the tow occurs between~~  
2           ~~the hours of six o'clock p.m. and six o'clock a.m.,~~  
3           ~~from Monday through Thursday and from six o'clock p.m.~~  
4           ~~Friday to six o'clock a.m. Monday, the towing company~~  
5           ~~shall be entitled to an overtime charge of \$15.] The  
6           charges listed in this paragraph shall be the only  
7           charges tow companies are authorized to charge vehicle  
8           owners. For purposes of this paragraph, "difficult  
9           hookup" shall mean an above or below ground hookup in  
10          a multilevel facility;~~

- 11          (2) If the vehicle is in the process of being hooked up,  
12          meaning up to the point when the tow truck is driving  
13          away, and the vehicle owner appears on the scene, the  
14          tow company shall release the vehicle to the vehicle  
15          owner at a location that ensures the safety of all  
16          persons and property involved, regardless of whether  
17          the release occurs on the scene or if the vehicle must  
18          be removed from the scene to be safely released;  
19          provided that no fee will be charged to the vehicle  
20          owner under this paragraph;



1           (3) Determine the name of the legal owner and the last  
2 registered owner of the vehicle from the department of  
3 transportation or the county department of finance.  
4 The legal owner and the last registered owner shall be  
5 notified in writing at the address on record with the  
6 department of transportation or with the county  
7 department of finance by registered or certified mail  
8 of the location of the vehicle, together with a  
9 description of the vehicle, within a reasonable period  
10 not to exceed fifteen days following the tow. The  
11 notice shall state:  
12           (A) The maximum towing charges and fees allowed by  
13 law;  
14           (B) The telephone number of the consumer information  
15 service of the department of commerce and  
16 consumer affairs; and  
17           (C) That if the vehicle is not recovered within  
18 thirty days after the mailing of the notice, the  
19 vehicle shall be deemed abandoned and will be  
20 sold or disposed of as junk.



1           Where the legal owner and the last registered owner  
2           have not been notified pursuant to this paragraph, the  
3           vehicle may be recovered by the vehicle owner from the  
4           towing company without paying tow or storage fees.

5           The notice need not be sent to a legal owner or last  
6           registered owner or any person with an unrecorded  
7           interest in the vehicle whose name or address cannot  
8           be determined. Absent evidence to the contrary, a  
9           notice shall be deemed received by the legal owner or  
10          last registered owner five days after the mailing;

11          (4) Provide, when a vehicle is recovered by the vehicle  
12          owner the vehicle owner with a receipt stating:

13           (A) The maximum towing charges and fees allowed by  
14           law; and

15           (B) The telephone number of the consumer information  
16           service of the department of commerce and  
17           consumer affairs; and

18          (5) Accommodate payment by the vehicle owner for charges  
19          under paragraph (1) by cash, credit card, or debit  
20          card.



1 (c) When a vehicle is not recovered within thirty days  
2 after the mailing of the notice, it shall be deemed abandoned  
3 and the owner of the towing company, or the owner of the towing  
4 company's authorized representative, after one public  
5 advertisement in a newspaper of general circulation in the  
6 State, may negotiate a sale of the vehicle or dispose of it as  
7 junk.

8 (d) The authorized seller of the vehicle shall be entitled  
9 to the proceeds of the sale to the extent that compensation is  
10 due the authorized seller for services rendered in respect to  
11 the vehicle, including reasonable and customary charges for  
12 towing, handling, storage, and the cost of the notices and  
13 advertising required by this part. Any remaining balance shall  
14 be forwarded to the legal owner or last registered owner of the  
15 vehicle if the legal owner or last registered owner can be  
16 found. If the legal owner or last registered owner cannot be  
17 found at the address on record at the department of  
18 transportation or the county department of finance, the balance  
19 shall be deposited with the State's unclaimed property program  
20 administered by the department of budget and finance and shall  
21 be paid out to the legal owner or last registered owner of the



1 vehicle if a proper claim is filed therefor within one year from  
2 the execution of the sales agreement. If no claim is made  
3 within the year allowed, the money shall become a state  
4 realization.

5 (e) The transfer of title and interest by sale under this  
6 part is a transfer by operation of law, pursuant to the  
7 requirements under section 286-52(f).

8 (f) Notwithstanding any law or ordinance to the contrary,  
9 including subsection (h) and section 46-20.5, any towing company  
10 engaged in towing in a county with a population greater than  
11 five hundred thousand shall offer towing services to consumers  
12 twenty-four hours per day every day of the week. The towing  
13 services shall include the release of vehicles kept in storage  
14 to an insurer, vehicle owner or a designated representative.

15 (g) Any person who violates any provision of this section  
16 shall be deemed to have:

17 (1) Engaged in an unfair or deceptive act or practice in  
18 the conduct of any trade or commerce within the  
19 meaning of section 480-2 and subject to penalties and  
20 remedies under chapter 480; and



1 (2) Furnished services without a license within the  
2 meaning of section 487-13 and subject to penalties and  
3 remedies under chapter 487.

4 (h) This section shall not apply to a county that has  
5 adopted ordinances regulating towing operations.

6 (i) Any company engaged in towing or parking management  
7 may charge a maximum of \$ 175.00 for the placement or removal  
8 of any device upon a vehicle designed to immobilize the vehicle.

9 [~~i~~] (j) As used in this section:

10 "Hooked up" means completely and securely attached and  
11 fastened to the tow truck by means of clamps, couplings, straps,  
12 tow bars, and other mechanical devices that are specifically  
13 designed to prevent the vehicle from dropping off or detaching  
14 from the tow truck in any way or otherwise shifting in any  
15 manner.

16 "Scene" means the location of the vehicle while it is in  
17 the process of being hooked up, or the location where it was  
18 hooked up, and anywhere within a fifty foot radius of that  
19 location.

20 "Vehicle owner" means any person, other than the towing  
21 company, who has possession of or any other interest in the



1 vehicle, including but not limited to the legal or last  
2 registered owner of the vehicle, the insurance company insuring  
3 the vehicle, the person renting the vehicle pursuant to  
4 chapter 437D or any other law authorizing a person to operate  
5 the vehicle, or any person in possession of the key or remote  
6 keyless ignition system device to the vehicle.

7 "Vehicle parked without authorization" means any vehicle  
8 left unattended on private or public property that is not parked  
9 in compliance with the notice required by subsection (a).

10 "Vehicle parked without authorization" shall not include:

- 11 (1) A vehicle otherwise parked in compliance with the  
12 notice required by subsection (a) where the vehicle  
13 owner has prepaid for parking and placed a payment  
14 receipt, placard, or permit anywhere on or in the  
15 vehicle and the payment receipt, placard, or permit is  
16 visible from outside the vehicle; or
- 17 (2) A vehicle otherwise parked in compliance with the  
18 notice required by subsection (a) where the vehicle  
19 owner has received authorization from an owner,  
20 occupant, or person in charge of the property and  
21 placed the placard, permit, or written authorization,



1           if any, anywhere on or in the vehicle and the placard,  
2           permit, or written authorization is visible from the  
3           outside of the vehicle."

4           SECTION 2. This Act does not affect rights and duties that  
5           matured, penalties that were incurred, and proceedings that were  
6           begun before its effective date.

7           SECTION 3. Statutory material to be repealed is bracketed  
8           and stricken. New statutory material is underscored.

9           SECTION 4. This Act shall take effect on January 1, 2050.



**Report Title:**

Towing Companies; Fees; Certificates of Good Standing

**Description:**

Changes the fees that a towing company may charge to tow vehicles left unattended on private and public property. Allows a towing company or parking management company to charge a fee for the placement or removal of vehicle immobilization devices. 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.*



**SB-3287-SD-1**

Submitted on: 2/26/2024 9:36:22 AM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James Kalima Kiyabu	Testifying for RJs Towing and Recovery	Support	Written Testimony Only

Comments:

As a small business company that is in the beginning stage of growing, this bill being passed will help in more ways than one. With Hawai'i prices increasing with rent/storage, gas, insurance and maintenance for the vehicles, we still have our family to think of and support also.

**SB-3287-SD-1**

Submitted on: 2/26/2024 9:52:10 AM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jenn	Testifying for IEH Towing, LLC	Support	Written Testimony Only

Comments:

Aloha All,

It's definitely long overdue with the increased rates for yard space/rent, commercial vehicle insurance, commercial garage liability insurance, commercial vehicle registration, taxes, fuel, & maintenance fees.

Tow companies take a huge loss on vehicles that sit on their lots throughout the trespass notice time period. A request is sent to DMV for the current registered owners contact information (turnaround time frame is about 2-3 weeks). A certified letter is sent out to the contact information received from DMV, this requires us to hold onto the vehicle for an additional 30 days from the date of the certified letter is sent. By the time we're able to dispose/sell/part out the vehicle, we will most likely always be in the negative.

An increase in rates will help greatly to assist in offsetting our losses for vehicles that aren't picked up or claimed by the registered owner or lienholder.

We appreciate your attention in this matter & hope this gets approved & implemented immediately!

I am in full support of bill 3287.

Mahalo,

IEH Towing, LLC

**SB-3287-SD-1**

Submitted on: 2/26/2024 10:01:02 AM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
HONOLULU TOWING INC	Testifying for Honolulu Towing Inc.	Support	Written Testimony Only

Comments:

Aloha Chair Keohokalole and Members of the Committee:

I am writing to express my strong support for the bill to increase towing rates due to inflation. As an owner of a tow company, I have witnessed firsthand the struggles that towing companies face in keeping up with rising costs while being limited by outdated rate structures.

Inflation has significantly impacted the operating expenses of towing companies, including fuel, insurance, rent, maintenance, and labor costs. These rising costs have put a strain on towing businesses, making it increasingly difficult for them to provide quality services to the community.

By increasing towing rates to account for inflation, we can ensure that towing companies are able to cover their expenses and continue to operate effectively. This will not only benefit the towing industry, but also the community as a whole by ensuring timely and reliable towing services when needed.

I do not support payment with credit card, due to stop payment made by unhappy customers.

Immobilization devices will not remove an authorized vehicle from property.

Sincerely,

Dayna Tavake

President

Honolulu Towing Inc.

**LATE**

**SB-3287-SD-1**

Submitted on: 2/26/2024 11:10:53 PM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Bernadette Cachola	Testifying for Cachola Towing	Support	Written Testimony Only

Comments:

Everything is going up in cost especially having a property to hold cars please we need the rates to go up!!!

**SB-3287-SD-1**

Submitted on: 2/25/2024 6:02:48 PM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kelly LumHo	Individual	Support	Written Testimony Only

Comments:

Thank you for your time & reading my testimony.

I support the increase/changes of the fees for tow companies to charge registered owners of vehicles that are unauthorized to park in places they are not supposed to, decided by HPD, private property owners, and/or parking management companies. It is long overdue for the tow charges to be changed. Not only will this finally help the tow companies make ends meet but also deter the public from parking illegally. As of right now, it cost more to go to the movies than to tow out your vehicle. A lot of people will take the chance but with an increase of tow fees, the news of the charges will spread like wild fire and make everyone think again before breaking the law and parking illegally.

**SB-3287-SD-1**

Submitted on: 2/25/2024 6:17:31 PM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Arthur Key	Individual	Support	Written Testimony Only

Comments:

I personally support this bill because I'm a tow company and it's very costly to run a tow company. The cost of living has gone up. Minimum wage is going up but the cost of towing hasn't gone up in a very long time. You guys changed the rules to release the car to anyone that has the keys and accept credit cards. I still fighting a credit card charge that someone contested. Even when we accept a credit card payment we got to pay the processing fee. Rent to have a yard is continuing to go up. Insurance is going up. Please consider this bill.

**SB-3287-SD-1**

Submitted on: 2/25/2024 6:45:52 PM

Testimony for CPN on 2/27/2024 10:01:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mario Garibaldi	Individual	Support	Written Testimony Only

Comments:

Aloha! Outwest Towing llc. As an owner operator. Feel this bill will benefit not only towing businesses. But will also have a good impact on the state of Hawaii. This will eliminate complaints from homeowners,business owners. Where people park illegally and towing companies not responding. A lot of the time it's because our trip will not be worth while. Considering time of day traffic, fuel cost, driver cost. Mahalo



**LATE**

February 25, 2024

**Committee on Commerce and Consumer Protection**

Chair Senator Jarrett Keohokalole

Vice Chair Senator Carol Fukunaga

RE: TESTIMONY – SB3287 SD1 (SUPPORT)

Aloha Senator Keohokaole, Vice Chair Fukunaga & Committee Members,

I am in strong support of SB 3287.

Throughout the years of being in the towing industry and running my business, I have experienced the rising costs of doing business in Hawaii and keeping my company afloat.

To have this senate bill introduced by Senator Fevella was a blessing to all and we greatly appreciate the time and effort it took to have this done. One of the reasons why we are all excited to have this heard in the Senate is that it gives us an opportunity to share what we face as business owners.

We have the highest cost of living in the nation. The cost of survival is not going down either. We have the rising costs of insurance, and we are not only talking about auto, we also have general liability insurance, property insurance, workers compensation, TDI, medical, etc. which increases every year. This is what we are required to have to be in business. We have to cost of labor, which has had increases since 2008 and just recently in 2024. The cost of fuel (diesel and gas), along with what it takes to keep our equipment in maintained working condition is an expense that does not go down. The cost of real estate is an ever-increasing factor. What we paid in 2008 per square foot for a commercial lot (land only) was \$0.20 per square foot. Now for the same lot, we are paying close to \$0.90 per square foot. That's a huge increase and a big part of our expense.

To have to deal the rising cost to stay in business and yet not have the tow rates increase along with it is not fair. For us to be in this industry costs our company a lot of money. We have to buy equipment from the mainland and with that comes

PO Box 701000  
Kapolei, HI 96709  
Phone (808)682-8697

the high rate of having it shipped to Hawaii. Those shipping costs increase all the time and we have no choice but to pay it. We have to send our crew to the mainland to have them take training courses and seminars. We see ourselves as professionals in the industry and take pride in what we do. All this comes with a cost and it's a cost that our company pays for.

Any person living in Hawaii, can say that it takes a lot to live here and to have a business here also has financial challenges. They say that many are having to move to the mainland to get ahead and that they are priced out of Hawaii, their home. We feel the same way, but this is where we were born and raised and have worked so hard to get our tow company established and grown to where it is now.

We ask that you take into consideration what we all face to keep our towing companies in business. Realistically what we really need is a rate increase of 125% to be comparable with the inflating costs of everything it takes to stay in business.

Thank you for your time...

Mahalo,

Giordan Grace  
President