STAND. COM. REP. NO. 2692

Honolulu, Hawaii

FEB 1 6 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

## The Senate Thirty-Second Legislature State of Hawai'i

## Record of Votes Committee on Transportation and Culture and the Arts TCA

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 3287	TCA	, CPN		2-13.	2029
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)		_ ✓			
INOUYE, Lorraine R. (VC)					
ELEFANTE, Brandon J.C.			V		
KANUHA, Dru Mamo					
AWA, Brenton				$\perp$	
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TOTAL		2	1	2	
Recommendation:			<del></del>		L
Adopted Not Adopted					
Chair's or Designee's Signature:					
France Junya					
<b>Distribution:</b> Original File with Committee Re	Yellow eport Clerk's Office		Pink Drafting Agenc	Goldenrod gency Committee File Copy	

\*Only one measure per Record of Votes