

STAND. COM. REP. NO. **3279**

Honolulu, Hawaii

MAR 30 2026

RE: H.B. No. 1691
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 1691, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize supporting documents used to transfer ownership of a motor vehicle to an insurance company after payment of damages from the result of a total loss insurance settlement to be signed electronically; and
- (2) Require insurance companies to indemnify and hold harmless the Director of Finance for any claims resulting from the issuance of motor vehicle titles utilizing documents signed electronically without a notary.

Your Committee received testimony in support of this measure from the Department of Customer Services of the City and County of Honolulu, Copart, Hawaii Insurers Council, and American Property Casualty Insurance Association.

Your Committee finds that the current system for transferring ownership of a salvaged motor vehicle to an insurance company



after a total loss insurance settlement requires notarized, manual signatures, a process that can create unnecessary delays, administrative burdens, and higher costs for vehicle owners, insurers, and county agencies. Removing this burdensome and outdated requirement is critical to streamlining the transfer process which will reduce paperwork burdens and improve system reliability and the customer experience. This measure will align the State with existing nationwide transportation modernization protocols for title transfer systems.

Your Committee has amended this measure by:

- (1) Making it effective on July 1, 2027; and
- (2) 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 that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1691, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1691, H.D. 2, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,



LORRAINE R. INOUYE, Chair



