

STAND. COM. REP. NO. **2782**

Honolulu, Hawaii

MAR 05 2026

RE: S.B. No. 2009
S.D. 2

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

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2009, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require new number plates and tags or emblems for used motor vehicles transferred between private individuals;
- (2) Require each county Director of Finance to notify all applicable state and local agencies upon receipt of official notification of a vehicle transfer from a transferor; and
- (3) Require each county Director of Finance to establish a centralized notification system for applicable agencies for every vehicle transfer by July 1, 2027.

Your Committee received testimony in opposition to this measure from the Department of Customer Services of the City and County of Honolulu.

Your Committee finds that transferors of titles of motor vehicles in the State often suffer the consequences of civil and criminal penalties incurred by transferees who fail to officially



complete the transfer. While the State attempted to address this issue by including a complete defense provision in Act 109, Session Laws of Hawaii 2025, subsequent attempts to invoke this provision have been insufficient to resolve penalties suffered by a legally compliant transferor. This measure will refine the motor vehicle transfer process and provide appropriate protections for transferors of motor vehicles.

Your Committee has amended this measure by:

- (1) Inserting a penalty of \$100 to be imposed on transferors and transferees who fail to comply with certain requirements applicable to the transfer of used motor vehicles between individuals;
- (2) Clarifying that a county Director of Finance shall not be required to immediately notify all applicable state and local agencies upon receipt of the official form for the vehicle transfer from a dealer or individual;
- (3) Changing the deadline for each county Director of Finance to establish a centralized notification system for each vehicle transfer from July 1, 2027, to July 1, 2028;
- (4) Inserting an effective date of March 22, 2025, to encourage further discussion; and
- (5) Amending section 1 to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2009, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2009, S.D. 2.



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



KARL RHOADS, Chair

