

Honolulu, Hawaii

**APR 29 2026**

RE: S.B. No. 2697  
S.D. 1  
H.D. 2  
C.D. 1

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

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2697, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Prohibit vehicles from driving on the shoulder of a roadway, except in certain circumstances;
- (2) Beginning one year after the effective date of this Act, authorize the Department of Transportation and law enforcement officers to impound vehicles with expired registrations under certain conditions;
- (3) Require an annual report to the Legislature;



- (4) Increase the fine amount for owners of out-of-state motor vehicles who fail to register in the State; and
- (5) Establish minimum and maximum statutory penalties for violations relating to the use of high occupancy vehicle lanes.

Your Committee on Conference finds that road users driving on the shoulder of a roadway and vehicles with expired registrations hamper traffic safety and compliance. However, existing law does not provide sufficient enforcement mechanisms to address these issues. This measure will facilitate enforcement to encourage compliance with state vehicle registration requirements and contribute to safer and more efficient roadways in the State.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have authorized the Department of Transportation and other approved persons to impound vehicles with expired registrations of three years or more under certain conditions;
- (2) Specifying that any vehicle not in compliance with statutory provisions relating to the vehicle weight tax or any vehicle upon which taxes are delinquent for one or more consecutive years may be subject to impoundment by the Director of Finance or any law enforcement officer;
- (3) Increasing the period for which an impounded vehicle shall be held from ten days to thirty days;
- (4) Specifying that an owner of an impounded vehicle shall not be liable for the costs of an improperly conducted seizure;
- (5) Specifying that a storage facility shall allow the vehicle owner to enter and obtain from the vehicle the vehicle's registration certificate;
- (6) Increasing the redemption period for an impounded vehicle from ten days to thirty days after seizure;
- (7) Requiring the Director of Finance to give thirty days public notice, rather than ten days, before selling the vehicle at public auction;




- (8) Specifying that public auction requirements may be waived when the appraised value of a vehicle is less than \$500;
- (9) Inserting a maximum fine amount of \$1,000 for violations relating to the use of high occupancy vehicle lanes;
- (10) Making it effective upon its approval; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.


As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2697, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2697, S.D. 1, H.D. 2, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
\_\_\_\_\_  
DARIUS KILA  
Co-Chair

  
\_\_\_\_\_  
LORRAINE R. INOUÉ  
Chair

  
\_\_\_\_\_  
MAHINA POEPEO  
Co-Chair

  
\_\_\_\_\_  
KARL RHOADS  
Co-Chair



Hawai'i State Legislature

Record of Votes of a  
Conference Committee

CCR 44-26

Bill / Concurrent Resolution No.: <b>SB 2697, SD 1, HD 2</b>	Date/Time: <b>4/28/26 : 1033 AM</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure


The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
INOUE, Lorraine R., Chr.	✓				KILA, Darius K., Co-Chr.	✓			
RHOADS, Karl, Co-Chr.	✓				POEPOE, Mahina, Co-Chr.	✓			
ELEFANTE, Brandon J.C.	✓				MURAOKA, Christopher L.				✓
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is:  
 Adopted       Not Adopted

House Recommendation is:  
 Adopted       Not Adopted

Senate Lead Chair's or Designee's Signature:  


House Lead Chair's or Designee's Signature:  


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