

DEPARTMENT OF CUSTOMER SERVICES
KA 'OIHANA LAWELAWE KUPA
CITY AND COUNTY OF HONOLULU

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March 3, 2026

The Honorable Scot Z. Matayoshi, Chair
The Honorable Tina Nakada Grandinetti, Vice Chair
and Members of the House Committee on Consumer Protection & Commerce
State Capitol, Conference Room 329
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Matayoshi, Vice Chair Grandinetti, and Members of the House
Committee on Consumer Protection & Commerce:

SUBJECT: H.B. No. 1691, H.D. 1 - Relating To Transportation
HEARING: Wednesday, March 4, 2026, 2:00 p.m.

The City and County of Honolulu, Department of Customer Services (CSD) **supports** this bill and appreciates the opportunity to offer comments for your committee's consideration. Pursuant to Section 6-402 of the Revised Charter of the City and County of Honolulu, CSD Division of Motor Vehicles (DMV) administers the motor vehicle registration program for the island of O'ahu. CSD appreciates the intent of the proposed legislation, however, we have concerns regarding its application and its legal implications.

CSD supports efforts to modernize and streamline motor vehicle title transactions, particularly those involving salvaged vehicles following total loss insurance settlements. Allowing supporting documents to be signed electronically, without requiring notarization, has the potential to reduce processing delays, minimize paperwork burdens, and improve efficiency for vehicle owners, insurers, and county offices.

From an administrative standpoint, electronic signatures can help expedite title transfers and reduce in-person visits, while maintaining continuity of service. The bill's inclusion of an indemnification provision for the Director of Finance provides important

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protection for the counties when relying on electronically signed documents submitted by insurance companies.

At the same time, implementation of these changes will require careful coordination. Clear standards for acceptable electronic signatures, document retention, and verification procedures will be necessary to ensure the integrity of title records and to prevent fraud. DMV systems, staff training, and internal workflows may also need to be updated to accommodate electronic documentation on a consistent basis.

With adequate lead time and interagency coordination, CSD believes these changes can be implemented effectively and will result in a more efficient and customer-friendly title transfer process. For these reasons, CSD **supports** H.B. No. 1691, H.D. 1 and appreciates the Legislature's consideration of measures that modernize motor vehicle administration.

Thank you for this opportunity to provide testimony on H.B. No. 1691, H.D. 1.

Sincerely,

for Kimberly M. Hashiro
Director



To: The Honorable Scot Z. Matayoshi, Chair
The Honorable Tina Nakada Grandinetti, Vice Chair
House Committee Consumer Protection and Commerce

From: Mark Sektnan, Vice President

Re: **HB 1691 HD1 – Relating to Transportation**
APCIA Position: Support

Date: Wednesday, March 4, 2026
2:00 p.m., Conference Room 329

Aloha Chair Matayoshi, Vice Chair Grandinetti and Members of the Committee:

The American Property Casualty Insurance Association is pleased to **support HB 1691 HD1** that proposes changes to the process for transferring ownership of salvaged motor vehicles following a total loss insurance settlement.

The American Property Casualty Insurance Association (APCIA) is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the United States and across the globe.

HB 1691 HD1 modernizes and streamlines the process for transferring ownership of a salvaged motor vehicle to an insurer following a total loss insurance settlement. As outlined in the bill, the current system requires notarized, manual signatures, a process that can create unnecessary delays, administrative burdens, and higher costs for vehicle owners, insurers, and county agencies.

HB 1691 HD1 provides a practical, technology-forward solution by authorizing supporting documents required for a salvage title transfer—such as affidavits and ownership documents—to be signed electronically. This modernization will not only expedite the transfer process but also reduce paperwork burdens and improve system reliability and customer experience. Importantly, the bill includes safeguards requiring insurance companies to indemnify and hold harmless the Director of Finance for any claims arising from issuing vehicle titles based on electronically signed, non-notarized documents. Additionally, the bill's effective date of July 1, 3000, encourages time for

further discussion among agencies, insurers, and related partners with respect to their systems and workflows.

By embracing secure electronic signatures, Hawai'i aligns itself with modern business practices already adopted in many other administrative processes. HB 1691 HD1 reduces friction, promotes efficiency, and benefits both consumers and government entities without compromising the integrity of the title process.

For these reasons, APCIA asks the committee to **pass** this bill.

TESTIMONY OF MICHAEL ONOFRIETTI

COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Representative Scot Z. Matayoshi, Chair
Representative Tina Nakada Grandinetti, Vice Chair

Wednesday, March 4, 2026
2:00 p.m.

HB 1691, HD1

Chair Matayoshi, Vice Chair Grandinetti, and members of the Committee on Consumer Protection & Commerce, my name is Michael Onofrietti, ACAS, MAAA, CPCU, Senior Vice President, Chief Actuary & Chief Risk Officer for Island Insurance, Board Chair and Chairman of the Auto Policy Committee for 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 **supports** this bill. This bill will streamline the process of motor vehicle transfer to an insurer after a total loss insurance settlement. This change will benefit all involved including the vehicle owner, the insurer, and counties by reducing the administrative process and time involved with title transfer. When title transfer is between the motor vehicle owner and their insurer, there are existing safeguards in place to ensure that the motor vehicle owner is aware that they are transferring title of a salvage vehicle to the insurer in exchange for remuneration and therefore, an e-signature is appropriate, and notarization is unnecessary.

Thank you for the opportunity to testify.



**Testimony of Mark Binder from Copart, Inc.
In Support to House Bill 1691, HD1
House Committee on Consumer Protection & Commerce
February 4, 2026**

Chair Matayoshi, Vice Chair Grandinetti, and Members of the House Committee on Consumer Protection & Commerce:

My name is Mark Binder, and I am testifying on behalf of Copart in **strong support** of H.B. 1691, HD1.

Copart is a national vehicle auction service company with operations across the United States, including a facility here in Hawai'i. Our Hawai'i location is in Kapolei, where we currently employ 12 people and provide services statewide. A significant portion of Copart's business involves working with insurance carriers to liquidate vehicles that have been declared total losses following a claim settlement.

Copart supports this bill because it modernizes the vehicle title transfer process by allowing the use of electronic signatures to transfer total loss vehicles from owners to insurance companies without a notary requirement. This change in the law is only for a very narrow transaction of vehicle owner to insurance company and will meaningfully reduce processing delays after a Hawai'i vehicle owner experiences a total loss and help vehicle owners get back on the road more quickly, with far less disruption to their daily lives. This is particularly important for households that rely on a single vehicle. Under the current system, vehicle owners must seek out a notary, then mail title documents to the insurance company, a process that can take several days or longer. With the proposed changes, the entire transaction could often be completed in a single phone call.

In addition to improving consumer experience, this bill represents increases efficiency by reducing the number of steps and physical handling involved in title transactions. Similar processes are already authorized in forty other states.

Federal and national transportation authorities have also encouraged modernization of title transfer systems. In 2019, the National Highway Traffic Safety Administration updated its regulations to allow more efficient title transfer processes, and the American Association of Motor Vehicle Administrators has issued similar recommendations.

For these reasons, Copart respectfully requests your support to pass H.B.1691, HD1.

Thank you for this opportunity to submit written testimony.