

**ACT 77**

**S.B. NO. 485**

**A Bill for an Act Relating to Reconstructed Vehicles.**

***Be It Enacted by the Legislature of the State of Hawaii:***

**SECTION 1.** Section 286-2, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read:

“ “Reconstructed vehicle” means a vehicle registered to be operated on a public highway which:

- (A) Is assembled from new or used parts by a person other than a recognized manufacturer of new vehicles;
- (B) Is modified to the extent that the identity of its make, model, or type is obscured by material changes in its appearance; or
- (C) Is modified by the removal, addition, alteration, or substitution of

other than original replacement essential parts, including but not limited to its body, power train, steering system, suspension system, exhaust system, intake system, or bumper system; excluding ordinary body repair which does not change the exterior structure of the vehicle.

SECTION 2. Chapter 286, Part IV, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read:

**"Sec. 286- Reconstructed vehicles, approval required.** (a) No person shall operate a reconstructed vehicle upon a public highway unless it has been inspected and certified by the designated county agency as meeting the specifications and requirements established in rules and regulations adopted by the state highway safety coordinator.

(b) This section shall not apply to any vehicle which is subject to the rules and regulations of the public utilities commission governing safety of operation and equipment.

(c) Each county through its Chief Executive Officer, shall designate a county department, whose responsibilities shall include the inspection of reconstructed vehicles and the issuance of permits to operate reconstructed vehicles pursuant to standards established by the state highway safety coordinator.

(d) The state highway safety coordinator shall adopt rules pursuant to chapter 91, establishing the fees an inspector may charge for the inspection of a reconstructed vehicle.

(e) The department designated pursuant to subsection (c) shall identify to the county treasurer every vehicle that has been inspected and approved as a reconstructed vehicle."

SECTION 3. Section 386-42, Hawaii Revised Statutes, is amended to read:

**"Sec. 286-42 County treasurer's duties.** The county treasurer shall examine and to the best of his ability determine the genuineness and regularity of every registration and transfer of registration of a vehicle as in this part provided, in order that every certificate issued for a vehicle shall contain true statements of the ownership thereof, and to prevent the registration of a vehicle by any person not entitled thereto, and the treasurer may require any applicant to furnish such information, in addition to that contained in the application, as may be necessary to satisfy the treasurer of the truth and regularity of the application.

For the purpose of registering standard makes and body types of new passenger motor vehicles the treasurer may accept the certificate of any licensed motor vehicle dealer certifying to the weight and identification of such vehicle. The treasurer of any county may accept the certificate of the treasurer of any other county as to weight and identification of any such vehicle.

In the event the treasurer is not satisfied as to the ownership of any vehicle sought to be registered, unless the applicant presents satisfactory evidence to the treasurer of the applicant's ownership of the vehicle and as to any liens thereon, the treasurer may accept from the applicant a bond or securities in such form as may be determined by the treasurer in an amount equal to the value of the vehicle. The bond or securities and the deposit thereof shall be conditioned to protect the treasurer and any subsequent purchaser of the vehicle or person

acquiring any lien thereon or the successor in interest of any such person against any loss or damage on account of any defect in or undisclosed encumbrance upon the right, title, and interest of the applicant in and to the vehicle. Any such interested person shall have a right of action to recover on any such bond or securities for any breach of the conditions for which the same was deposited. The aggregate liability of the surety to all such persons shall in no event exceed the amount of the bond and interest thereon, plus a reasonable attorney's fee to be allowed by the court incurred to procure the recovery under the bond. The bond or securities shall (unless suit has been instituted thereon) be returned and surrendered at the end of three years or prior thereto in the event that the vehicle is no longer registered and the currently valid certificate of ownership is surrendered to the treasurer. Any licensed dealer who has filed and has in effect a bond of an amount in excess of the value of any vehicle in question shall not be required to furnish an additional bond under this section.

Whenever the registration of any motor vehicle discloses that it is adapted for the use of a fuel other than gasoline, the treasurer shall inform the director of taxation of such registration, and upon each transfer of any such motor vehicle the director shall be informed thereof.

The county treasurer, upon being notified by the designated county development that a vehicle has been inspected and approved as a reconstructed vehicle, shall cause that fact to be shown upon the registration certificate and registration records for that vehicle."

SECTION 4. New statutory material is underscored. In printing this Act, the revisor of statutes need not include the underscoring.\*

SECTION 5. This Act shall take effect upon its approval.

(Approved May 12, 1977.)

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\*Edited accordingly.