## **ACT 135**

H.B. NO. 3248

A Bill for an Act Relating to Registration of Vehicles.

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

SECTION 1. Section 286-42, Hawaii Revised Statutes, is amended to read as follows:

"§286-42 County finance director's duties. (a) The county director of finance shall examine and to the best of the director's 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 director of finance may require any applicant to furnish such information, in addition to that contained in the application, as may be necessary to satisfy the director of finance of the truth and regularity of the application. The director of finance may accept any county certificate of title issued for a vehicle as prima facie evidence of ownership for registration and transfer of registration.

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

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

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- [(d) Whenever the registration of any motor vehicle discloses that it is adapted for the use of 1 fuel other than gasoline, the director of finance shall inform the director of taxation of such registration, and upon each transfer of any such motor vehicle the director shall be informed thereof.
- (e)] (d) The county finance director, upon being notified by the designated county department 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] and title certificates for that vehicle."
- SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 3, 1992.)

Note

1. So in original.