H.B. NO. ⁸⁹⁵ H.D. 2 S.D. 1

C.D. 1

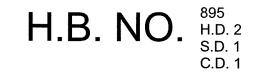
A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Significant increases in the number of 2 abandoned and derelict vehicles being discarded on Hawaii's 3 roadways degrade the beauty of our island state and pose a 4 danger to the public by creating unsafe driving conditions on 5 our highways. While towing companies provide a valuable public 6 service for Hawaii's motorists by removing many of these 7 vehicles in a timely manner, increased costs in operating a towing service, along with increased "scrapping" costs for the 8 9 disposal of unclaimed or derelict vehicles, have caused tow 10 operators to incur financial hardships. Moreover, the current 11 notification process required by law for the disposition of a motor vehicle that has been towed and determined to be abandoned 12 13 or derelict is lengthy. In some instances, the process has 14 taken upwards of three months. This increases costs incurred by 15 the towing company for storage of the towed vehicle.

16 While the county in which the towing company is located is 17 most often the requestor for the towing company to remove these 18 abandoned and derelict motor vehicles, the county only pays for HB895 CD1 HMS 2007-4121



1 the initial towing service and does not pay for any storage fees 2 incurred with the towed motor vehicle even though the storage of the vehicle may be of considerable cost to the towing company. 3 4 A possible solution to this growing problem is to use funds from 5 the highway beautification and disposal of abandoned or derelict 6 vehicles revolving fund to defray some of the costs associated 7 with storage of abandoned or derelict vehicles until they can be 8 sold at auction or scrapped.

9 Removal of these vehicles should be accomplished as rapidly 10 as possible. Providing the county and tow companies with the 11 tools necessary to take custody and properly dispose of 12 abandoned vehicles in a more efficient manner will aid in this 13 task.

14 Accordingly, the purpose of this Act is to: 15 (1) Allow counties to increase registration fees and 16 thereby increase deposits into the highway 17 beautification and disposal of abandoned or derelict 18 vehicles revolving fund to defray costs associated 19 with the storage of abandoned or derelict vehicles; 20 (2) Increase towing and storage fees that towing companies 21 are currently allowed to charge; and

H.B. NO. ⁸⁹⁵ H.D. 2 S.D. 1 C.D. 1

3

1	(3) Decrease the number of days in which the owner of the
2	towed motor vehicle must be notified.
3	SECTION 2. Section 286-51, Hawaii Revised Statutes, is
4	amended by amending subsection (b) to read as follows:
5	"(b) This part shall be administered by the director of
6	finance in conjunction with the requirements of sections 249-1
7	to 249-13 and shall entail no additional expense or charge to
8	the person registering the ownership of a motor vehicle other
9	than as provided by this section or by other laws; provided that
10	for each new certificate of ownership issued by the director of
11	finance under section 286-52, the director of finance may charge
12	a fee which shall be deposited in the general fund. The fees
13	charged to issue a new certificate of ownership shall be
14	established by the county's legislative body.
15	Notwithstanding any other law to the contrary, an
16	additional fee of not more than \$1 for each certificate of
17	registration for a U-drive motor vehicle and \$2 for each
18	certificate of registration for all other motor vehicles may be
19	established by ordinance and collected annually by the director

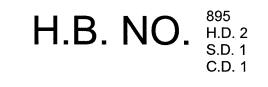
of finance of each county, to be used and administered by each

21 county:

20



Page 4



4

1	(1)	For the purpose of beautification and other related	
2		activities of highways under the ownership, control,	
3		and jurisdiction of each county; and	
4	(2)	To defray the additional cost in the disposition and	
5		other related activities of abandoned or derelict	
6		vehicles as prescribed in chapter 290. For the	
7		purposes of this paragraph, other related activities	
8		shall include but need not be limited to any and all	
9		storage fees that are negotiated between each county	
10		and a towing company contracted by the county to	
11		remove and dispose of abandoned or derelict vehicles.	
12	The \$2 fe	e established pursuant to this subsection for	
13	certifica	tes of registration for motor vehicles other than U-	
14	drive mot	or vehicles may be increased by ordinance up to a	
15	maximum o	f [$\frac{5}{7}$] $\frac{10}{7}$ provided that all amounts received from	
16	any fee i	ncrease over \$2 shall be expended only for the purposes	
17	of paragr	aph (2). The moneys so assessed and collected shall be	
18	placed in a revolving fund entitled, "the highway beautification		
19	and dispo	sal of abandoned or derelict vehicles revolving fund"."	
20	SECT	ION 3. Section 290-11, Hawaii Revised Statutes, is	
21	amended b	y amending subsection (b) to read as follows:	

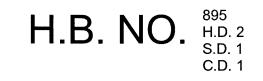
"(b) Towing companies engaged by the owner, occupant, or
person in charge of the property shall:
(1) Charge not more than [\$55] \$65 for a tow, or [\$65] \$75

895 H.D. 2

C.D. 1

H.B. NO.

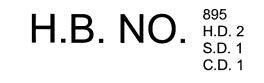
4 for a tow using a dolly, plus a mileage charge of 5 $[\frac{56.50}{5.50}]$ \$7.50 per mile towed and $[\frac{520}{5.50}]$ \$25 per day or fraction thereof for storage for the first seven days 6 7 and [\$15] \$20 per day thereafter. [When the tow 8 occurs between the hours of six o'clock p.m. and six 9 o'clock a.m., from Monday through Thursday and from 10 Friday six o'clock p.m. to Monday six o'clock a.m., 11 the towing company shall be entitled to an overtime charge of \$15.] If the vehicle is in the process of 12 13 being hooked up to the tow truck and the owner appears 14 on the scene before the vehicle has been moved by the 15 tow truck, the towing company shall unhook the vehicle 16 [upon payment by the owner of an "unhooking" fee of 17 not more than \$50. If the owner is unwilling or 18 unable to pay the "unhooking" fee, the vehicle may be 19 towed]. In the case of a difficult hookup, meaning an 20 above or below ground hookup in a multilevel facility, 21 a towing surcharge of \$30 shall be applicable;



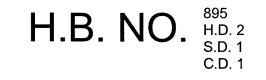
1	(2)	Determine the name of the legal owner and the
2		registered owner of the vehicle from the department of
3		transportation or the county department of finance.
4		The legal owner and the registered owner shall be
5		notified in writing at the address on record with the
6		department of transportation or with the county
7		department of finance by registered or certified mail
8		of the location of the vehicle, together with a
9		description of the vehicle, within a reasonable period
10		not to exceed [twenty] fifteen days following the tow.
11		The notice shall state:
12		(A) The maximum towing charges and fees allowed by
13		law;
14		(B) The telephone number of the consumer information
15		service of the department of commerce and
16		consumer affairs; and
17		(C) That if the vehicle is not recovered within
18		thirty days after the mailing of the notice, the
19		vehicle shall be deemed abandoned and will be
20		sold or disposed of as junk.
21		Where the owners have not been so notified, then the
22		owner may recover the owner's car from the towing



Page 7



company without paying tow or storage fees; provided 1 that the notice need not be sent to a legal or 2 3 registered owner or any person with an unrecorded interest in the vehicle whose name or address cannot 4 5 be determined. Absent evidence to the contrary, a 6 notice shall be deemed received by the legal or 7 registered owner five days after the mailing. A 8 person, including but not limited to the owner's or 9 driver's insurer, who has been charged in excess of 10 the charges permitted under this section may sue for 11 damages sustained and, if the judgment is for the 12 plaintiff, the court shall award the plaintiff a sum 13 not to exceed the amount of the damages and reasonable 14 attorney's fees together with the cost of suit; 15 (3) Provide, when a vehicle is recovered by the owner 16 before written notice is sent by registered or certified mail, the owner with a receipt stating: 17 18 (A) The maximum towing charges and fees allowed by 19 law; and 20 The telephone number of the consumer information (B) 21 service of the department of commerce and 22 consumer affairs; and



8

1	(4) Accommodate payment by the owner for charges under
2	paragraph (1) by cash and by either credit card or
3	automated teller machine located on the premises."
4	SECTION 4. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 5. This Act shall take effect on July 1, 2007.



Report Title: Abandoned Vehicles

Description:

Allows counties to increase registration fees to defray costs associated with the storage of abandoned or derelict vehicles. Increases towing fees that towing companies are currently allowed to charge. Decreases the number of days in which the owner of the towed motor vehicle must be notified. Eliminates overtime and hookup fees. (HB895 CD1)

