
A BILL FOR AN ACT

RELATING TO THE MOTOR VEHICLE INDUSTRY LICENSING ACT.

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

1 SECTION 1. Section 437-12, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "**§437-12 Legal ownership certificates.** (a) Possession
4 ~~[or proof of possession]~~ of or right to possess legal ownership
5 certificate. No dealer shall sell or advertise for sale a new
6 motor vehicle unless the dealer has in the dealer's possession
7 ~~[or proof of possession of the legal ownership certificate of~~
8 ~~the subject motor vehicle.]~~ the actual legal ownership
9 certificate or a certificate of origin or its equivalent issued
10 to the dealer by the manufacturer or distributor for the subject
11 motor vehicle. No dealer shall sell or advertise for sale a
12 used motor vehicle unless the dealer has in the dealer's
13 possession evidence that all liens on the subject motor vehicle
14 have been satisfied and the actual legal ownership certificate
15 or proof of the right to possess the legal ownership certificate
16 for the subject motor vehicle.

1 (b) Delivery of legal ownership certificate. The legal
2 ownership certificate shall be delivered within the time period
3 [~~as provided~~] specified in section 286-52(b)."

4 SECTION 2. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun, before its effective date.

7 SECTION 3. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval.

Report Title:

Motor Vehicle Dealers

Description:

Requires motor vehicle dealers to possess or have the right to possess a legal ownership certificate for a motor vehicle before selling a new or used vehicle or advertising a new or used vehicle for sale. (SD1)