

Honolulu, Hawaii

Feb 26, 2010

RE: H.B. No. 1978
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1978, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOWING,"

begs leave to report as follows:

The purpose of this bill is to protect consumers of tow services by requiring towing companies:

- (1) In counties with populations greater than 500,000 persons, to operate 24 hours per day, seven days a week and offer services including the release of vehicles in storage; and
- (2) To maintain insurance of at least:
 - (A) \$500,000 for bodily injury;
 - (B) \$200,000 for property damage;
 - (C) \$175,000 for on-hook coverage; or
 - (D) \$1,000,000 for a combined single limit of liability.



Property Casualty Insurers Association of America, Hawaii State Towing Association, and GEICO testified in support of this bill with amendments. The Department of Commerce and Consumer Affairs offered comments.

Your Committee has amended this bill by:

- (1) Changing the effective date to December 21, 2058, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

Consideration might be given to include language in the bill requiring towing companies to accept business or corporate checks for payment, instead of only cash, so that insurance companies could pay the companies directly and retrieve towed vehicles more quickly.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1978, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1978, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,


JO. RIKI KARAMATSU, Chair



