

STAND. COM. REP. NO. 1095

Honolulu, Hawaii  
March 23, 2009

RE: S.B. No. 520  
S.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 520, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE INDUSTRY LICENSING ACT,"

begs leave to report as follows:

The purpose of this bill is to clarify the proof-of-ownership requirements for dealers to sell or advertise motor vehicles, by requiring that the dealer possess:

- (1) With regard to sales of new vehicles, the actual legal ownership certificate or a certificate of origin or its equivalent issued to the dealer by the vehicle manufacturer or distributor; and
- (2) With regard to sales of used vehicles, evidence that all liens on the vehicle have been satisfied and the actual legal ownership certificate or proof of the right to possess the certificate.

The Motor Vehicle Industry Licensing Board and Hawaii Automobile Dealers Association testified in support of this bill.

Your Committee notes that this bill contains compromise language agreed upon by the various stakeholders as a balance of the motor vehicle dealers' interest in clarifying the types of documentation dealers need to sell or advertise vehicles, and the

SB520 SD1 HSCR CPC HMS 2009-3086



consumers' interest in receiving clear title to vehicles purchased from dealers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 520, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



