

SB 1416



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097
January 31, 2011

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

SENATE BILL NO. 1416

COMMITTEE ON TRANSPORTATION AND INTERNATIONAL AFFAIRS

The Department of Transportation supports the intent S.B. 1416 which would extend the period in which an owner of a new car is exempted from obtaining a certificate of inspection from two years to three years from the date of purchase.

However, it is a fact that not every new car that is sold complies with the inspection requirements that exist. Complaints have been made to MVSO that something as simple as a burned out brake lamp was not detected when a new car was inspected and certified by the dealer. Invariably, the inspector claims that the lamp burned out after the inspection was completed. If a lamp burns out that fast, then it is possible that a few lamps will burn out or other things go wrong in the current two year interval of new car inspections. It is not uncommon for motorists to neglect checking lamps and other equipment that is inspected during a periodic inspection.

Other reasons for concern are is the \$150,000 cost to implement this bill and that it will exacerbate an administrative problem for the DOT. Currently inspection stickers are purchased two years in advance of their use. The number of stickers ordered is based on past experience and estimates. The further away the purchase date is from the use date, the greater is the degree of inaccuracy of the estimates. The advanced purchase is necessitated by the two year inspection interval for new cars, which make up a relatively small portion of the vehicle population. This means that in addition to storing the stickers that are being used for the current year, the bulk of the stickers ordered for the out-year must also be stored. This almost doubles the storage requirements. Adding a second out-year supply of stickers will worsen our storage problem.

DEPARTMENT OF CUSTOMER SERVICES
CITY & COUNTY OF HONOLULU
DIVISION OF MOTOR VEHICLE, LICENSING AND PERMITS
ADMINISTRATION
P.O. BOX 30300
HONOLULU, HAWAII 96820-0300

PETER B. CARLISLE
MAYOR



GAIL Y. HARAGUCHI
DIRECTOR

DENNIS A. KAMIMURA
LICENSING ADMINISTRATOR

January 27, 2011

The Honorable J. Kalani English, Chair
and Committee Members
Committee on Transportation and
International Affairs
The Senate
State of Hawaii
State Capitol, Room 205
Honolulu, Hawaii 96813

Dear Chair English and Committee Members:

Subject: S.B. No. 1416, Relating to Highway Safety

The City and County of Honolulu has concerns with S.B. No. 1416 which will increase the period of safety inspection for new vehicles from two to three years.

Although we concur that new vehicles are unlikely to experience major mechanical defects during the first three years after purchase, defects such as head lamps, stop lamps, signal lamps, expired registration, and expired vehicle liability insurance cards will not be discovered.

The City and County of Honolulu recommends that S.B. No. 1416 be held.

Sincerely,


for Gail Y. Haraguchi
Director



Hawaii Automobile Dealers' Association

Geantis Spieth, President
David Rolf, Executive Director

January 28, 2011

Testimony Relating to Highway Safety
With STRONG SUPPORT for SB1416
Presented to the Senate Committee on Transportation and International Affairs

At the hearing 1:15 p.m., Monday, January 31, 2011
in Conference Room 224, Hawaii State Capitol

Submitted by **David H. Rolf**, for the Hawaii Automobile Dealers Association
Hawaii's Franchised New Car Dealers

Chair English, Vice Chair Espero and members of the committee,

The members of the **Hawaii Automobile Dealers Association**, Hawaii's new car dealers, are in **STRONG SUPPORT of SB1416** which proposes to extend the effective period of the new vehicle safety inspection from its current two years to three years.

We appreciate Senator Donna Mercado Kim's introduction of the bill and are pleased to see the large number of Senate co-sponsors of measure.

HADA's role is to help auto dealers comply with the laws, so as to make car buying and servicing by the general public....trouble free.

Nowadays, new car warranties extend 36 months and longer so owners maintain their vehicles in top shape because costs are covered by the new car warranty.

The necessity for a safety inspection in the third year is thus de minimis.

Time and cost for the redundant safety inspection for the third year is thus eliminated.

HADA respectfully requests that the committee members support SB1416.

Respectfully submitted,

David H. Rolf

For The Hawaii Automobile Dealers Association, Hawaii's franchised new car dealers,
1100 Alakea St. Suite 2601, Honolulu, Hawaii 96813 Tel: 808 593-0031 Cell: 808 223-6015

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM:
GARY M. SLOVIN
ANNE T. HORIUCHI
MIHOKO E. ITO
CHRISTINA ZAHARA NOH
CHRISTINE OGAWA KARAMATSU

ALII PLACE, SUITE 1800 • 1099 ALAKEA STREET
HONOLULU, HAWAII 96813

MAIL ADDRESS: P.O. BOX 3196
HONOLULU, HAWAII 96801

TELEPHONE (808) 547-5600 • FAX (808) 547-5880
info@goodsill.com • www.goodsill.com

INTERNET:
gslovin@goodsill.com
ahoriuchi@goodsill.com
meito@goodsill.com
cnoh@goodsill.com
ckaramatsu@goodsill.com

MEMORANDUM

TO: Senator J. Kalani English
Chair, Committee on Transportation and International Affairs
Hawaii State Capitol, Room 205
Via Email: TIAWitness@Capitol.hawaii.gov

FROM: Christine Ogawa Karamatsu

DATE: January 30, 2011

RE: **S.B. 1416 – Relating to Highway Safety**
Hearing: Monday, January 31, 2011 at 1:15 p.m., Room 224

Dear Chair English and Members of the Committee on Transportation and International Affairs:

I am Christine Ogawa Karamatsu, testifying on behalf of EAN Holdings, LLC, operating Enterprise Rent-A-Car, Alamo Rent-A-Car and National Car Rental in Hawaii (collectively referred to as “Enterprise”).

Enterprise supports S.B. 1416, which extends the period in which an owner of a new car is exempted from obtaining a certificate of inspection from two years to three years from the date of purchase.

Cars in Enterprise’s Hawaii fleet are generally used for only 16-18 months and average less than 36,000 miles before they are replaced. This ensures that only the newest and safest cars are made available to our customers. For those cars in our fleet older than two years, extending the certificate of inspection renewal period would reduce the administrative and financial burden of inspecting these vehicles.

We believe this measure achieves a good balance of streamlining government without compromising the safety of all drivers on Hawaii’s roads.

Thank you for the opportunity to testify on this matter.