A BILL FOR AN ACT

RELATING TO REBUILT VEHICLES.

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

- 1 SECTION 1. The legislature finds that existing laws
- 2 inhibit insurers' ability to push a "rebuilt" or "salvage" title
- 3 when a total loss is retained by the insured for a flooded
- 4 vehicle. Current cars have a significant amount of electronic
- 5 devices installed throughout the vehicle and are highly
- 6 vulnerable to flood damage, particularly if salt water is
- 7 involved. Such vehicles should have a branded title to warn
- 8 potential subsequent purchasers.
- Accordingly, the purpose of this Act is to include flood
- 10 damage and material damage to a motor vehicle's electronics in
- 11 the definition of "rebuilt vehicle".
- 12 SECTION 2. Section 286-2, Hawaii Revised Statutes, is
- 13 amended by amending the definition of "rebuilt vehicle" to read
- 14 as follows:
- ""Rebuilt vehicle" means any vehicle which has been
- 16 declared a total loss by an insurer and has been rebuilt or
- 17 repaired to operate on public highways. For the purpose of this

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- 1 definition, a vehicle is a total loss only if there is material
- 2 damage, including flood damage, to the vehicle's electronics,
- 3 frame, unitized structure, or suspension system, and the
- 4 projected cost of repairing the damage exceeds the market value
- 5 of the vehicle at the time of the incident causing it to be
- 6 declared a total loss."
- 7 SECTION 3. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect on July 1, 2019.

INTRODUCED BY:

JAN 1 8 2019

H.B. NO. 270

Report Title:

Rebuilt Vehicle; Flood Damage; Electronics

Description:

Includes flood damage and material damage to a motor vehicle's electronics in the definition of "rebuilt vehicle" in section 286-2, Hawaii Revised Statues.

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