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.
- 9 Accordingly, the purpose of this Act is to expand the
- 10 definition of "rebuilt vehicle" to include motor vehicles that
- 11 have been rebuilt after flood damage and material damage to the
- 12 vehicle's electronics.
- 13 SECTION 2. Section 286-2, Hawaii Revised Statutes, is
- 14 amended by amending the definition of "rebuilt vehicle" to read
- 15 as follows:
- 16 ""Rebuilt vehicle" means any vehicle which has been
- 17 declared a total loss by an insurer and has been rebuilt or



H.B. NO. H.D. 1

- 1 repaired to operate on public highways. For the purpose of this
- 2 definition, a vehicle is a total loss only if there is material
- 3 damage, including flood damage, to the vehicle's electronics,
- 4 frame, unitized structure, or suspension system, and the
- 5 projected cost of repairing the damage exceeds the market value
- 6 of the vehicle at the time of the incident causing it to be
- 7 declared a total loss."
- 8 SECTION 3. New statutory material is underscored.
- 9 SECTION 4. This Act shall take effect on July 1, 3000.

H.B. NO. H.D. 1

Report Title:

Rebuilt Vehicle; Flood Damage; Electronics

Description:

Expands the definition of "rebuilt vehicle" to include vehicles that have been rebuilt after flood damage and material damage to the vehicle's electronics. (HB270 HD1)

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