

JAN 18 2019

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# 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 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:

15           ""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



# S.B. NO. 822

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.

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# S.B. NO. 822

**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 Statutes.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

