

STAND. COM. REP. NO.

243

Honolulu, Hawaii

February 8, 2019

RE: H.B. No. 405

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committees on Intrastate Commerce and Transportation, to which was referred H.B. No. 405 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TOWING,"

beg leave to report as follows:

The purpose of this measure is to require a tow truck company not operating under a police department contract to provide a written estimate for services prior to the attachment of a motor vehicle to the tow truck when towing the motor vehicle from an accident.

The Department of Commerce and Consumer Affairs, GEICO, and American Property Casualty Insurance Association supported this measure. The Hawaii Insurers Council and AAA Hawaii provided comments.

Your Committees note the concerns raised at the public hearing on this measure by the Hawaii Insurers Council in its written testimony. This measure may put motor vehicle operators in physical harm's way and place them in a position to sign an estimate by a tow operator under duress. Many persons have been injured or killed as they stand outside their vehicles on the side of the road or on a shoulder.

HB405 HD1 HSCR IAC-TRN HMS 2019-1889



If a tow operator is presenting an estimate to a motor vehicle operator to sign after a motor vehicle crash, it compounds an already stressful situation. There is no way a motor vehicle operator would know if the information contained in the estimate is correct with regard to the price of a police-dispatched tow. If the motor vehicle operator does not sign the estimate, the tow operator would need to depart without towing the vehicle, leaving the motor vehicle operator no choice but to sign the estimate. The location of the vehicle and its operator may be dangerous.

These are all conditions that would make it extremely difficult for a motor vehicle operator to refuse to sign or ask questions of the tow operator. Your Committee notes the Hawaii Insurers Council's request that this measure be amended so as not to place the motor vehicle operator in harm's way or in a position to sign a document under duress.

Your Committees have amended this measure by:

- (1) Deleting provisions specifying fees that may be charged for services;
- (2) Exempting towing companies operating under contract with an automobile club;
- (3) Changing its effective date to July 1, 3000; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Intrastate Commerce and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 405, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 405, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on  
behalf of the members of the  
Committees on Intrastate  
Commerce and Transportation,



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HENRY J.C. AQUINO, Chair



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TAKASHI OHNO, Chair





