

STAND. COM. REP. NO. **358**

Honolulu, Hawaii

FEB 14 2019

RE: S.B. No. 822

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 822 entitled:

"A BILL FOR AN ACT RELATING TO REBUILT VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to include flood damage and material damage to a motor vehicle's electronics in the definition of "rebuilt vehicles".

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received comments on this measure from the State Farm Mutual Automobile Insurance Company.

Your Committee finds that under existing law, a vehicle that is declared a total loss can only be subject to a branded "rebuilt vehicle" title if there is material damage to its frame, unitized structure, or suspension system, and the cost to repair is greater than the vehicle's market value. When a vehicle is branded with a rebuilt title, it warns future purchasers that the car has been declared a total loss and might have hidden defects that could affect its operation. However, existing law does not require a car that has sustained significant flood damage to be considered a rebuilt vehicle.

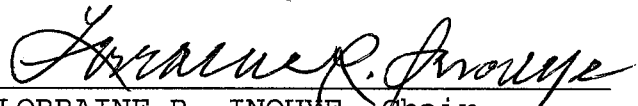
Your Committee further finds that due to the technological advancement made in cars and the constant and heavy rain in



Hawaii, an amendment to existing law covering rebuilt vehicles is necessary to account for damage to a motor vehicle's electronics, which is often caused by flooding. This measure would add flood damage and damage to electronics to the definition of a rebuilt vehicle, which will offer consumer protection and ensure the safety of all.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 822 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

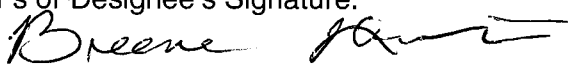
Respectfully submitted on
behalf of the members of the
Committee on Transportation,


LORRAINE R. INOUE, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Transportation
TRS

Bill / Resolution No.:* SB 822	Committee Referral: TRS, CPH	Date: 2/11/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
HARIMOTO, Breene (VC)	✓			
ENGLISH, J. Kalani				✓
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes