

Testimony of the
Hawaii State Association of Counties
on
H.B. 161, H.D.2
Relating to Registration of Vehicles.
Committee on Finance
Wednesday, March 3, 2021, 2:00 p.m.
Room 308

The Hawaii State Association of Counties (HSAC) strongly supports H.B. 161, H.D.2, which authorizes a county director of finance to withhold the issuance or renewal of a certificate of registration of a motor vehicle until the county is paid for any outstanding charges owed for the towing, removal, or disposal of an abandoned or derelict vehicle, except when the vehicle is stolen or taken from the owner without the owner's approval.

H.B. 161, H.D.2, will help in addressing the problem of abandoned and derelict vehicles. The more immediate problem, however, are the costs for the removal and disposal of abandoned or derelict vehicles, which in many cases, are absorbed by the county. In the County of Kauai, for example, in the last quarter of 2019, 247 abandoned or derelict vehicles were towed. Towing charges for that quarter totaled \$66,462.

Rather than imposing the burden of additional fees on the entire community, H.B.161, H.D.2, will impose the responsibility for the outstanding charges on those vehicle owners who contribute to the problem

For these reasons, HSAC supports H.B. 161, H.D.2. Thank you for the opportunity to submit testimony on H.B. No. 161, H.D.2.

DEPARTMENT OF FINANCE

REIKO MATSUYAMA, DIRECTOR

MICHELLE L. LIZAMA, DEPUTY DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of Reiko Matsuyama Director of Finance, County of Kaua'i

Before the
Committee on Finance
March 3, 2021 at 2:00 pm
Conference Room 308

In consideration of **House Bill 161 HD2** **Relating to the Registration of Vehicles**

Honorable Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Finance Department of the County of Kaua'i **strongly supports** HB 161 HD2, which allows the director of finance of a county to require payment of outstanding charges owed to the county for the towing, removal, or disposal of an abandoned or derelict vehicle within the county before issuing a motor vehicle certificate of registration.

The County of Kaua'i, like many other jurisdictions, has a major issue with abandoned and derelict vehicles. While our Kaua'i Police Department (KPD) is faced with addressing the towing and removal of these vehicles, the motor vehicle division is trying to work closely with KPD to address the root cause of the issue.

In preliminary discussions with KPD, they have a difficult time enforcing the collection of outstanding towing and related costs. In addition, there are recurring offenders who litter our island with cars. When their names were mentioned in our meetings, our motor vehicle staff indicated that they are regularly in the DMV transferring and registering vehicles.

While the HRS grants the Finance Director with leverage over some outstanding citations, it does not give authority over charges related to the towing, removal, and disposal of abandoned and derelict vehicles. If we were able to turn away these recurring offenders from transferring and/or registering vehicles, it would either force them to pay the bills that are now being absorbed by KPD or it would prevent them from improperly disposing these additional vehicles.

It is for these reasons, that we **strongly support** HB 161 HD2. Thank you for your consideration of this testimony.

COUNTY COUNCIL

Arryl Kaneshiro, Chair
Mason K. Chock, Vice Chair
Bernard P. Carvalho, Jr.
Felicia Cowden
Bill DeCosta
Luke A. Evslin
KipuKai Kualii



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March 1, 2021

TESTIMONY OF FELICIA COWDEN
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON
HB 161, HD2, RELATING TO REGISTRATION OF VEHICLES
House Committee on Finance
Wednesday, March 3, 2021
2:00 p.m.
Via Videoconference
Conference Room 308

Dear Chair Luke and Members of the Committee:

Thank you for this opportunity to provide testimony in SUPPORT of HB 161, HD2, Relating to Registration of Vehicles. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

HB 161, HD2, authorizes a county director of finance to withhold the issuance or renewal of a certificate of registration of a motor vehicle until the county is paid for any outstanding charges owed for the towing, removal, or disposal of an abandoned or derelict vehicle, except when the vehicle is stolen or taken from the owner without the owner's approval.

HB 161, HD2, will help in addressing the problem of abandoned and derelict vehicles. The more immediate problem, however, are the costs for the removal and disposal of abandoned or derelict vehicles, which in many cases, are absorbed by the county. In the County of Kaua'i, for example, in the last quarter of 2019, 247 abandoned or derelict vehicles were towed. Towing charges for that quarter totaled \$66,462. Rather than imposing the burden of additional fees on the entire community, HB 161, HD2, will impose the responsibility for the outstanding charges on those vehicle owners who contribute to the problem.

Mahalo for considering my testimony and the work on this important Bill. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via E-mail to cokcouncil@kauai.gov.

Sincerely,

FELICIA COWDEN
Councilmember, Kaua'i County Council

AMK:mn



DEREK S. K. KAWAKAMI
Mayor

MICHAEL A. DAHILIG
Managing Director

POLICE DEPARTMENT COUNTY OF KAUAI

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TODD G. RAYBUCK
Chief of Police

Testimony of Mark N Begley
Assistant Chief, Patrol Services Bureau
Kaua'i Police Department

Before the
Committee on Finance
March 3, 2021; 2:00 pm
Conference Room 308

In consideration of
House Bills 160 and 161
Relating to Registration of Vehicles

Honorable Chair Sylvia Luke, Vice Chair Cullen, and Members of the Committee:

The Patrol Services Bureau supports House Bills 160 and 161, which would (1) subject U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles; and (2) allow the Director of Finance of a county to require payment of outstanding charges owed to the county for the towing, removal, or disposal of an abandoned or derelict vehicle within the county.

Bill 161 will drastically reduce the large number of vehicles that are carelessly abandoned around our Counties. It will reduce the significant cost born by our taxpayers in the towing and disposal of these vehicles. It will reduce the contamination caused by abandoned vehicles that are leaking gasoline, oil and other chemicals into our soil and waterways.

We handle abandoned and derelict vehicle complaints on a daily basis, and we see firsthand how important this issue is to our residents and visitors alike. It has been extremely difficult to curtail this behavior and to enforce the collection of outstanding towing and related costs.

Respectfully Submitted,

Mark N. Begley
Assistant Chief
Patrol Services Bureau
Kauai Police Department

An Equal Opportunity Employer



HB-161-HD-2

Submitted on: 3/1/2021 4:22:00 PM

Testimony for FIN on 3/3/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members,

Please support HB161.

Thank you,

Andrea Quinn

Aloha Kakou,

I am developing a citizen proposal to deal with abandoned vehicles on Kauai and potentially other counties. This proposal calls for payment of disposal fees at the time of initial HI registration. I am giving you the synopsis of the proposal followed by a comparison chart between the “Pre-Paid Disposal” plan, and HB161.

A core feature of the Pre-Paid plan is it’s simplicity. The easier it is to do something, the more likely people are to do it. The plan not only makes it easy to dispose of vehicles, it removes the key incentives for abandoning them.

Pre-Paid Vehicle Disposal

A simple efficient method to reduce the population of abandoned vehicles on island, and to save the county disposal funds.

by

John Patt, Koloa HI

The problem with the proliferation and disposal of abandoned and derelict vehicles could be attenuated by assigning the cost of disposal to the individual or business who first imports the vehicle on island.

When a new vehicle is purchased, the disposal fee is added to the initial registration costs. That fee remains with the vehicle, VIN, not the owner. Should the owner sell the vehicle, the new owner would not have to repay the disposal fee. It becomes part of the title.

When an owner, or dealership, determines that the vehicle has insufficient value to operate, they contact a towing company which removes the vehicle to a recycling facility. The owner simply has to show possession of the prepaid title and VIN. There are no fees, no taxes, because the monies have already been paid.

Under this plan, an owner would consider it is simpler to have the county remove a vehicle than to abandon it. That alone would save the county hundreds of thousands of dollars each year. Since towing from lots and private homes is easier than removing vehicles from undeveloped land, the removal costs will be reduced as well.

Vehicles pre-paid for disposal are not abandoned. They are “owner disposals”. So unlike abandoned vehicles, they can be towed from private land. Plus private landowners would be spared the expense and inconvenience of having to remove abandoned vehicles from their property.

https://www.capitol.hawaii.gov/hrscurrent/vol05_ch0261-0319/hrs0290/hrs_0290-0011.htm

The county can also incentivize the plan by remitting the cost of towing to the owner who delivers the vehicle to the recycling center.

Kauai County averages about \$750 per abandoned vehicle. <https://www.thegardenisland.com/2020/09/13/hawaii-news/county-turns-attention-to-abandoned-vehicles/>,

and <https://www.thegardenisland.com/2020/10/04/business/towing-companies-speak-up-about-abandoned-vehicles>.

Disposal fees are about \$265 and towing is about \$200.

<https://www.thegardenisland.com/2020/09/13/hawaii-news/county-turns-attention-to-abandoned-vehicles>,

and https://www.kauai.gov/Portals/0/PW_Recycling/Puhi%20Metals/Price%20List%20Commercial%20Metals%20080118.pdf?ver=2018-08-01-093714-233

Much of the administrative and enforcement costs that the county employs to remove abandoned vehicles would be saved because the vehicles would not be abandoned.

Counties could frame the pre-paid disposal fee in a variety of ways. It could be owner funded, county funded, or a hybrid.

The table below compares key features of HB161 and the Pre-Paid Disposal Plan. While HB161 is a step in the right direction, the Pre-Paid plan makes it simple and easy to dispose of a vehicle, which in itself will attenuate our abandoned vehicle problem.

	Pre-paid disposal	HB161
Ease of Funding	Simple, paid in full with initial registration. Payment remains with vehicle.	More difficult. County must locate and collect funds from owner
Owner’s Motivation	Ease of disposal. It is more difficult to abandon than to properly dispose of vehicle.	Avoidance of towing, disposal and other fees.

Difficulty of Disposal	Simple. Owner arranges to have pre-paid vehicle towed. Attempts to disguise or obliterate VIN/registration serve no benefit to vehicle owner. Police involvement normally not necessary	Potentially complex if owner removes VIN and other identifying features. Law enforcement more likely to be involved, increasing disposal costs.
Fee Burden	Regressive. Final registrant must bear expense of disposal. Final registrant is more likely to be a younger driver and/or low income resident.	Progressive. Burden falls on first owner or importer, and is a very small fraction of the total cost.
Abandonment on private property	Provides for removal on private property by vehicle owner. Removes primary incentive to abandon vehicles on private property.	Does not facilitate removal of abandoned vehicles on private property. Removal remains the responsibility of the landowner.
Ease of Implementation	Simple. Contact tow company. Produce pre-paid title with VIN. Confirm VIN with tow and disposal services.	Remains complex. Police report and vehicle details must be filed prior to removal. Police must investigate vehicle.
Cost to the County	Only that portion of the pre-paid fees which the county elects to pay. No additional cost to county should owner leave the state.	If owner disguises or removes vehicle ID, or leaves the state, county bears all expenses.
Further incentive	Possible rebate for towing should owner deliver vehicle for disposal.	Penalty for non-compliance. No additional incentive.

Me aloha pumehana,

John Patt

LATE

HB-161-HD-2

Submitted on: 3/2/2021 5:10:18 PM

Testimony for FIN on 3/3/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Councilmember Yuki Lei Sugimura	Individual	Support	No

Comments:

Residents abandoned vehicles and leave it for the County to pay for the fees associated for safer roads and communities. Recently a truck was left on Pulehu Road at about 10 at night and set on fire. Fortunately a family was driving by and called 9-1-1 to report the incident. If left unattended it could have burned the Kula Ag Park, Mahi Pono lands and even homes in the area too.

Please consider passing this legislation to add responsibility to careless actions taken for abandoned vehicles.

I support HB 161 HD 2.

Yuki Lei Sugimura, Upcountry Councilmember and Kula Resident