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GOVERNMENT STRATEGIES
A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 4, 2021

TO: Representative Henry J.C. Aquino
Chair, Committee on Transportation
Submitted Via Capitol Website

FROM: Matt Tsujimura

RE: **H.B. 161 – Relating to Registration of Vehicles**
Hearing Date: Friday, February 5, 2021 at 10:00 a.m.

Dear Chair Aquino, Vice Chair Ilagan, and Members of the Committee on Transportation:

We submit this testimony on behalf of Enterprise Holdings (“Enterprise”), which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise **submits comments** on H.B. 161, 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.

While Enterprise believes it is good public policy to deter individuals from abandoning vehicles on public streets and highways, Enterprise is concerned about the application of H.B. 161 within the context of the rental car industry.

There are instances when customers fail to return rentals, or when rental cars are stolen and then ticketed as abandoned. Under H.B. 161, these situations would leave registered car owners footing the bill.

Enterprise requests that language be included in the H.B. 161 to exempt registered vehicle owners who’ve had their vehicle stolen or taken without permission or authorization. The proposed amendments are included below in red for your consideration.

Thank you for the opportunity to submit this testimony.

SECTION 2. Section 286-51, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The certificate of registration for each motor vehicle in the counties of the State shall be renewed on a staggered basis as established by each county. The director of finance of each county may adopt rules to carry out the purposes stated in this section and shall expend the necessary funds from the director's operating funds as may be necessary for these purposes; provided that the director of finance, if the director has ascertained as of the date of the application that the registered owner has not deposited or paid bail with respect to any summons or citation issued to the registered owner for stopping, standing, or parking in violation of traffic ordinances within the county, or has outstanding charges owed to the county for the towing, removal, or disposal of an abandoned or derelict vehicle within the county, may require, as a condition precedent to the renewal, that the registered owner deposit or pay bail with respect to all such summonses ~~[or], citations[-], or outstanding charges,~~ provided that the registered owner shall not be fined if the abandoned or derelict vehicle has been stolen or taken from the registered owner without permission or authorization. The certificates of registration issued hereunder shall show, in addition to all information required under section 286-47, the serial number of the

tag or emblem and shall be valid during the registration year only for which they are issued. The certificates of ownership need not be renewed annually but shall remain valid as to any interest shown therein until canceled by the director of finance as provided by law or replaced by new certificates of ownership as hereinafter provided."

SECTION 3. Section 286-52, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) Subsection (b), requiring a transferee to forward the certificate of ownership after endorsement to the director of finance, shall not apply to the transferee of a vehicle who was not intending to and does not drive the vehicle or permit the vehicle to be driven upon the public highways, but every such transferee, upon transferring the transferee's interest or title to another, shall give notice of the transfer to the director of finance and endorse the certificate of ownership to the new legal owner and the certificate of registration to the new owner; provided that if the director of finance has ascertained as of the date of the application that the registered owner has not deposited or paid bail with respect to any summons or citation issued to the registered owner for stopping, standing, or parking in violation of traffic ordinances within the county, or has outstanding charges owed to the county for the towing, removal, or disposal of an abandoned or derelict vehicle within the county, the director may

require, as a condition precedent to the transfer, that the registered owner deposit or pay bail with respect to all such summons [~~or~~], citations [~~or~~], or outstanding charges, provided that the registered owner shall not be fined if the abandoned or derelict vehicle has been stolen or taken from the registered owner without permission or authorization."

Testimony of the
Hawaii State Association of Counties
on
H.B. 161 Relating to Registration of Vehicles.
Committee on Transportation
Friday, February 5, 2021, 10:00 a.m.
Room 423

The Hawaii State Association of Counties (HSAC) strongly supports H.B. 161, 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.

H.B. 161 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 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. Thank you for the opportunity to submit testimony on H.B. No. 161.

COUNTY COUNCIL

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LATE NOTICE OF THE COUNTY CLERK

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February 5, 2021

**TESTIMONY OF FELICIA COWDEN,
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON
HB 161, RELATING TO REGISTRATION OF VEHICLES
House Committee on Transportation
Friday, February 5, 2021
10:00 a.m.
Conference Room 423**

Dear Chair Aquino and Members of the Committee:

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

HB 161 is included in the Hawai'i State Association of Counties Legislative Package, and is similar to a measure included in the County of Kaua'i Legislative Package. HB 161 would 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 before issuing a motor vehicle certificate of registration.

Thank you again for this opportunity to provide testimony. 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

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