
HOUSE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE HONOLULU
POLICE DEPARTMENT; CITY AND COUNTY OF HONOLULU DEPARTMENT
OF CUSTOMER SERVICES, MOTOR VEHICLE, LICENSING, AND PERMITS
DIVISION; AND DISTRICT COURT OF THE FIRST CIRCUIT.

1 WHEREAS, vehicle owners who sell or otherwise transfer
2 their vehicles to another person have reported erroneously
3 receiving traffic citations even though they are no longer the
4 legal owner of the vehicle; and

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6 WHEREAS, when the transferor of a vehicle signs over the
7 vehicle's Certificate of Ownership to the transferee of the
8 vehicle, the transferor is required by law to give notice of the
9 vehicle transfer to the Director of Finance; and

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11 WHEREAS, the new owner (transferee) of the vehicle has the
12 responsibility of forwarding the Certificate of Ownership to the
13 appropriate county Director of Finance; and

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15 WHEREAS, if the transferee fails to forward the Certificate
16 of Ownership to the appropriate county Director of Finance, the
17 transferor remains on record as the registered owner of the
18 vehicle; and

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20 WHEREAS, a situation may occur in which the transferee
21 commits a traffic infraction, resulting in a parking ticket; a
22 police officer issues a citation to the vehicle, and if the fine
23 is not paid by the citation's deadline, a default judgment is
24 entered against the registered owner -- in this case, the
25 unwitting transferor; and

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27 WHEREAS, although the transferor has filed a Notice of
28 Transfer with the appropriate county Director of Finance and
29 Department of Motor Vehicles (DMV), there are instances in which
30 the district court is not informed of the Notice of Transfer and
31 issues a Notice of Default to the transferor; and

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33 WHEREAS, when the transferor receives an erroneous Notice
34 of Default, the transferor must make multiple appearances in



1 district court and post a bond to set aside the default
2 judgment, costing the transferor time and money; and
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4 WHEREAS, there are many steps in the process where human
5 error could result in the transferor receiving a Notice of
6 Default Judgment for traffic infractions committed with a
7 vehicle that they no longer own, including:
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9 (1) The transferor mails the Notice of Transfer, but it
10 never reaches the DMV;
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12 (2) The DMV receives the Notice of Transfer, but it is
13 never processed and filed;
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15 (3) The district court's automated default judgment
16 process sends a Notice of Default Judgment despite the
17 transferor filing a Notice of Transfer;
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19 (4) A district court employee has not checked for, or
20 checked but did not see, a Notice of Transfer prior to
21 the Notice of Default Judgment being issued;
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23 (5) The DMV did not provide a complete list of Notices of
24 Transfer to the district court prior to the district
25 court entering default judgment; and
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27 (6) The DMV receives the transferee's signed Certificate
28 of Ownership but fails to record them as the new
29 owner; and
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31 WHEREAS, because it is unclear exactly where procedural
32 shortfalls occur, an audit is necessary to determine the primary
33 reasons for a Notice of Default Judgment for a traffic
34 infraction being issued to a person who no longer owns the cited
35 vehicle at the time of the traffic infraction; now, therefore,
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37 BE IT RESOLVED by the House of Representatives of the
38 Thirty-second Legislature of the State of Hawaii, Regular
39 Session of 2023, that the Auditor is requested to conduct an
40 audit of the process of Notice of Default Judgment for traffic,
41 infractions including actions in the process taken by the
42 Honolulu Police Department; City and County of Honolulu



1 Department of Customer Services, Motor Vehicle, Licensing, and
2 Permits Division; and District Court of the First Circuit; and
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4 BE IT FURTHER RESOLVED that the Auditor is requested to
5 include; in the audit:
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7 (1) A list of Notice of Default Judgments that are issued
8 to persons who no longer owned the vehicle that was
9 the cause of the underlying traffic infraction that
10 lead to the default judgment; provided that the person
11 who was issued the Notice of Default Judgment filed a
12 Notice of Transfer;
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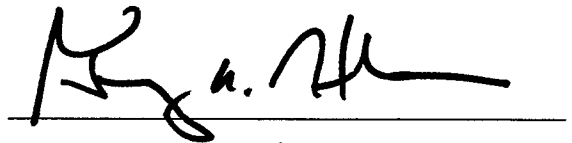
14 (2) For each default judgment, the amount of time between
15 the Notice of Default Judgment was issued and the
16 resolution of the default judgment; and
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18 (3) For each default judgment, the reason each Notice of
19 Default Judgment was issued to the person who no
20 longer owned the vehicle and filed a Notice of
21 Transfer; and
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23 BE IT FURTHER RESOLVED that the Auditor is requested to
24 submit any findings and recommendations, including any proposed
25 legislation, to the Legislature not later than twenty days prior
26 to the convening of the Regular Session of 2024; and
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28 BE IT FURTHER RESOLVED that certified copies of this
29 Resolution be transmitted to the Auditor, Chief of Police of the
30 Honolulu Police Department, Deputy Chief Judge of the District
31 Court of the First Circuit, and Director of the Department of
32 Customer Service of the City and County of Honolulu.
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OFFERED BY:



MAR 10 2023

