

ACT 178

H. B. 412.

A Bill for an Act Relating to the Disposition of Motor Vehicle Certificates of Ownership, Certificates of Registration and License Plates for Motor Vehicles Which are Sold or Otherwise Disposed of as Salvage and Amending Chapter 160 of the Revised Laws of Hawaii 1955, as Amended.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to eliminate illegal traffic in certificates of ownership, certificates of registration and license plates for motor vehicles which are no longer operable on the highways of this State.

SECTION 2. A new section, designated as section 160-7.1, shall provide as follows:

Section 160-7.1. Certificates of ownership of salvaged motor vehicles. (a) Whenever a motor vehicle subject to registration under this part is sold as salvage, in the ordinary course of business or as the result of a total loss insurance settlement, the purchaser or, if an insurance company, its authorized agent, shall within ten days from the purchase, or the settlement of the insurance loss, forward the said motor vehicle's endorsed certificate of ownership or other evidence of title, certificate of registration and license plates to the treasurer or director of finance.

(b) Upon resale of the salvage vehicle the seller or, if the seller is an insurance company, its authorized agent, shall issue a bill of sale to the purchaser which shall be on a form prescribed by the treasurer or director of finance.

(c) In the event the salvage vehicle is rebuilt so as to be capable of again operating on the highways of this State, the said motor vehicle shall not be licensed for such operation, nor shall the ownership thereof be transferred until there is submitted to the treasurer or director of finance with the prescribed bill of sale, an appropriate application for registration of said

rebuilt or restored motor vehicle along with a certificate of inspection signed by a person authorized by the treasurer or director of finance attesting to the said motor vehicle's mechanical fitness and safety, plus any other document and fee required by the treasurer or director of finance.

(d) In the event a total loss insurance settlement between an insurance company and its insured results in the retention of the salvage vehicle by the insured, then in such event, the insurance company or its authorized agent shall, within ten days from the date of settlement, notify the treasurer or director of finance of such retention by its insured. The said notification shall be on a form prescribed by the treasurer or director of finance.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 30, 1967.)