ACT 236

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S.B. NO. 1229

A Bill for an Act Relating to Motor Vehicle Repairs. Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 437B-11, Hawaii Revised Statutes, is amended to read as follows:

"§437B-11 Prohibited practices. The following acts or omissions related to the repair of motor vehicles shall be grounds for invoking the enforcement procedures of section 437B-12:

- Making or authorizing in any manner or by any means whatever any statement written or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading;
- (2) Causing or allowing a customer to sign any work order which does not state the repairs requested by the customer or the automobile's odometer reading at the time of repair;
- (3) Failing or refusing to give to a customer a copy of any document requiring the customer's signature, as soon as the customer signs such document;
- (4) Any other conduct which constitutes fraud;
- (5) Conduct constituting gross negligence;
- (6) Failure to comply with this chapter or [regulations] <u>rules</u> adopted pursuant to it;
- (7) Any wilful departure from or disregard of accepted practices or workmanship;
- (8) Making false promises of a character likely to influence, persuade, or induce a customer to authorize the repair, service, or maintenance of a motor vehicle;
- (9) Having repair work subcontracted without the knowledge or consent of the customer unless the motor vehicle repair dealer, mechanic, or apprentice demonstrates that the customer could not reasonably have been notified;
- (10) Conducting the business of motor vehicle repair in a place other than stated on the registration except that mobile repair facilities may be permitted if the registration so indicates;
- (11) Rebuilding or restoring of rebuilt vehicles as defined in section 286-2 in such a manner that it does not conform to the original vehicle manufacturer's established repair procedures or specifications and allowable tolerances for the particular model and year[.];
- (12) Subcontracting, recommending, or referring motor vehicle repair work to, or in any way assisting, a motor vehicle repair dealer or mechanic whose registration or certification is not in full compliance with this chapter; and
- (13) Failure to directly supervise a motor vehicle mechanic apprentice/ trainee or motor vehicle mechanic helper."

SECTION 2. The motor vehicle industry repair board shall undertake a study to determine viable alternatives, including proposed legislation, to best protect the consumer against problems caused by delays in the completion of motor vehicle repairs, without creating undue hardship in the motor vehicle repair industry. In its study, the board shall specifically consider the concepts proposed in Section 1 of S.B. No. 1229, S.D. 1, introduced during the Regular Session of 1989, entitled, "A Bill for an Act Relating to Motor Vehicle Repairs". The board shall submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 1990.

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval. (Approved June 8, 1989.)