

MOTOR VEHICLE INDUSTRY LICENSING BOARD
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by §92-7(b), Hawaii Revised Statutes (HRS).

Date: Tuesday, February 25, 2020
Time: 9:00 a.m.
Place: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, 1st Floor
Honolulu, Hawaii 96813

Present: Steven J. T. Chow, Esq., Public Member, Vice-Chairperson
Byron Hansen, Public Member
John Uekawa, Industry Member
Russell Wong, Industry Member
Kedin C. Kleinhans, Executive Officer (“EO”)
Christopher J. I. Leong, Deputy Attorney General (“DAG”)
LaJoy Lindsey, Secretary

Excused: Wayne De Luz, Industry Member, Chairperson
Larry Ignas, Public Member

Guests: Dave Rolf, Hawaii Automobile Dealer’s Association (“HADA”)

Call to Order: Vice-Chairperson Chow called the meeting to order at 9:12 a.m. at which time a quorum was established.

Approval of Minutes of December 17, 2019 meeting: It was moved by Mr. Wong, seconded by Mr. Uekawa and unanimously carried to accept the minutes of the December 17, 2019, meeting.

Licensing:

a. Ratifications

Motor Vehicle Salesperson Transfers
Motor Vehicle Salesperson License
Motor Vehicle Dealer Relocation

It was moved by Mr. Hansen, seconded by Mr. Wong and unanimously carried to ratify the above lists.

b. Applications

None

Executive
Officer's
Report:

a. Revisions to
Chapter 86,
Hawaii
Administrative
Rules ("HAR")

EO Kleinhans provided handouts of the amendment schedule for HAR Chapter 86.

April 14 - Discuss Subchapters one and two;
June 23 – Discuss Subchapter three;
August 18 – Discuss Subchapter four;
October 13 – Discuss Subchapters five and six;
December 15 – Discuss Subchapters seven, eight, nine, and ten.

EO Kleinhans stated that the Board and members of the public may contribute by providing input, such as suggested language, in accordance with the aforementioned schedule. Board voting may take place at the meeting of the applicable subchapters, or a following meeting, if necessary.

Mr. Wong asked if there will be notification to the public or to associations to solicit comments. EO Kleinhans replied that the schedule could be posted on the Board's website. After approval of a complete draft, the rules are vetted by various agencies. Then, a public hearing would be held.

Vice-Chairperson Chow asked EO Kleinhans if there was an internal deadline for comments to be submitted prior to a meeting. EO Kleinhans replied that comments should ideally be submitted at least six calendar days prior to the scheduled meeting so that the comments are included in Board member's packets for review. Otherwise, the public may attend meetings to verbally provide comments.

Vice-Chairperson Chow encouraged the Board to share their input as rule amendments are significant to the industry. He also requested for Mr. Rolf and other interested stakeholders to participate in this process.

Mr. Rolf mentioned that HADA has attorneys to assist in reviewing and proposing language.

EO Kleinhans advised that a public notice is published in a newspaper prior to the public hearing. If any substantive changes are made after the public hearing, then the rule revision process may need to be reviewed by various agencies once more.

b. Legislation:

EO Kleinhans reported the following bills relating to the Motor Vehicle Industry Licensing Act and motor vehicles in general are effectively dead for this session:

(a) Bills Relating to HRS Chapter 437 – Motor Vehicle Industry Licensing Act

(i) House Bill No. 2206 / Senate Bill No. 2269 Relating to Licensing

These measures clarify that a motor vehicle dealer or salesperson license may be suspended, revoked, or denied if the dealer or salesperson withholds the return of buyer's down payment or trade-in when the buyer's when the buyer's motor vehicle purchase or lease agreement is contingent upon financing of the purchase, and pursuant to the financing or credit applications signed at the time of purchase, the buyer was unable to qualify.

(ii) Senate Bill No. 2215 – Relating to Motor Vehicles

This measure establishes a zero net vehicle growth policy in the State to ensure that the number of vehicles in the State does not exceed the vehicle threshold. This measure also prohibits the importation of a vehicle into the State unless the dealer or individual importing the vehicle demonstrates proof that an existing vehicle in the State was recycled, destroyed, or transported out of the State and the importation of the vehicle does not cause the total number of vehicles in the state to exceed the vehicle threshold. The measure requires proof of compliance for dealers and individuals importing vehicles from out of the State.

(b) Other Bills Related to Motor Vehicles

(i) House Bill No. 1670 – Relating to Motor Vehicles

This measure requires every pickup truck manufactured after 12/31/2021 that is sold, offered for sell, purchased, or operated in the State to be equipped with seat belt assembly in the bed of the pickup truck. This measure also prohibits any passenger from riding in the bed or load-carrying area of a pickup truck manufactured after 12/31/2021 without being restrained by a seatbelt assembly.

(ii) House Bill No. 2396 / Senate Bill No. 2580 – Relating to Climate Control

These measures prohibit new fossil fuel vehicles to be used for transportation effective 2025.

(iii) Senate Bill No. 2438 – Relating to Motor Vehicles

This measure prohibits the operation, sale, and lease of motor vehicles that operate on fossil fuel beginning 1/1/2031.

(iv) Senate Bill No. 2445 – Relating to Motor Vehicles

This measure requires that all motor vehicles be subject to a vehicle disposal fee at the time of purchase. This measure also would've appropriated funds to the counties to assist in the disposition of abandoned vehicles.

(v) Senate Bill No. 2495 – Relating to Used Motor Vehicles

This measure requires a used motor vehicle dealer to deliver at least two operable sets of keys, including key fobs, to the consumer at the time of sale. This measure also includes keys and key fobs as covered parts under required written warranties.

Public Comment: Dave Rolf requested for House Bill No. 2699, Relating to the Environment, to be placed on the next agenda. He stated the bill would establish clean ground transportation goals for all light-duty vehicles, which would require 100% of motor vehicles in Hawaii to be renewable fuel vehicles by December 31, 2045. Mr. Rolf provided graphs to Board members and explained that most domestic and international manufacturers forecast that approximately 30% of motor vehicles will be renewable fuel vehicles by 2045.

Next Meeting: Tuesday, April 14, 2020
9:00 a.m.
King Kalakaua Building
Queen Liliuokalani Conference Room
335 Merchant Street, 1st Floor
Honolulu, HI 96813

Adjournment: There being no further business to discuss, the meeting adjourned at 9:50 a.m.

Taken and recorded by:

/s/ LaJoy Lindsey

LaJoy Lindsey, Secretary

Reviewed and approved by:

/s/ Kedin C. Kleinhans

Kedin C. Kleinhans
Executive Officer

3/25/20

Minutes approved as is.

Minutes approved with changes. See Minutes of _____.