

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

MINUTES OF MEETING

- Date: February 1, 2022
- Time: 9:00 a.m.
- Place: Virtual Videoconference Meeting – Zoom Webinar  
<https://dcca-hawaii-gov.zoom.us/j/96300791472>
- Present: Wayne K. De Luz, Industry Member, Chairperson  
Byron A. Hansen, Public Member  
Marie H. Weite, Public Member  
Russell M. K. Wong, Industry Member  
John Uekawa, Industry Member  
Christopher J. I. Leong, Deputy Attorney General (“DAG”)  
Jenny M. Yam, Executive Officer (“EO”)  
LaJoy A. Lindsey, Secretary  
Lori Beth Van Cantfort, Executive Officer, Tech Support
- Excused: Steven J.T. Chow, Esq., Public Member, Vice-Chairperson
- Guests: Dave Rolf, Hawaii Automobile Dealers Association (“HADA”)  
Ivy Y.E. Kim, Esq., Staff Attorney, Regulated Industries Complaints Office (“RICO”)  
Lauren A. Sugai, Esq., Staff Attorney, RICO  
Anthony Fujii, Esq.  
Eric Soderholm  
Denise Soderholm  
Jeff
- Agenda: The agenda for this meeting was posted on the State electronic calendar and filed with the Office of the Lieutenant Governor, as required by §92-7(b), Hawaii Revised Statutes (“HRS”).
- A short video was played to explain the meeting procedures and how members of the public could participate in the virtual meeting.
- Call to Order: Chairperson De Luz called the meeting to order at 9:08 a.m., at which time quorum was established. All Board members confirmed that they were present, with the exception of Vice-Chairperson Chow who was excused.
- Chairperson De Luz also noted that Randall Ball, public member, resigned from the Board effective January 21, 2022.
- Approval of the It was moved by Mr. Wong, seconded by Mr. Uekawa, and carried by the

December 7, 2021  
Meeting Minutes:

majority, with the exception of Vice-Chairperson Chow who was excused from the meeting, to approve the minutes of the December 7, 2021, meeting as circulated.

Adjudicatory  
Matters:

Chairperson De Luz asked if there were any attendee wishing to provide oral testimony.

Chairperson De Luz recognized Eric Soderholm, Lauren Sugai, and Anthony Fujii to present their oral testimony.

Eric Soderholm stated that he wishes to provide oral testimony regarding agenda item 3.A. Mr. Soderholm provided a summary of the case regarding Terry A. Martinez and indicated that he is of the opinion that Terry A. Martinez should not be allowed to re-obtain licensure.

Lauren Sugai and Anthony Fujii indicated that they were attending the meeting to provide oral arguments for agenda item 3.B.

Chairperson De Luz thanked the attendees who provided oral testimony.

Chairperson De Luz called for a recess from the meeting at 9:22 a.m., to discuss and deliberate on the following adjudicatory matter pursuant to Chapter 91, HRS (Note: Board members and staff entered the Microsoft Teams meeting):

- A. In the Matter of the Motor Vehicle Salesperson's License of Terry A. Martinez, In the Matter of the Motor Vehicle Salesperson's License of Johnny H. Martinez, and In the Matter of the Motor Vehicle Dealer's License of South Maui Motors, Inc.; MVI 2017-57-L; MVI 2018-26-L [CONSIDLATED] Board's Final Order; Motion for Reconsideration

The Board members reviewed the following:

- (1) A Motion for Reconsideration letter dated December 2, 2021, submitted by David W. Cain, Esq., who represents the Respondent, Terry A. Martinez;
- (2) A letter dated December 13, 2021 submitted by Ivy Y.E. Kim, Esq., who represents the Petitioner, RICO; and
- (3) The Board's Final Order dated December 15, 2020.

The Board noted that the Board's Final Order was sent by Office of Administrative Hearings on April 6, 2020 via certified mail and it was received by Terry A. Martinez and South Maui Motors on April 8, 2020.

After discussion, it was moved by Ms. Weite, seconded by Mr. Wong, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting, to deny Mr. Martinez's motion for reconsideration of the Board's Final Order dated December 15, 2020.

The Board based its decision on the following citation of the Hawaii Administrative Rules ("HAR"):

HAR §16-201-16 provides, in relevant part, that:

- (a) An application for any relief or order shall be by motion which, unless made during a hearing, shall be made in writing, shall state with particularity the grounds therefor, and shall set forth the relief or order sought.
- (b) Motions referring to facts not of record shall be supported by affidavits, and if involving a question of law shall be accompanied by a memorandum in support.
- (e) Failure to comply with the requirements of this section may be the basis for denial of any motion.
- (f) The decision on the motion may be made orally at the time of the hearing on the motion, or in writing, or any part of the authority's decision or the hearings officer's recommended decision.

HAR §16-201-23 provides that:

Any party, within ten days after receipt of any final order may move the authority to reconsider its final order or decision. The Motion shall be filed with the authority and shall state specifically what points of law or fact the authority has overlooked or misunderstood together with brief arguments on the points raised. No answer or reply to the motion shall be considered unless requested by the authority. Oral argument on the motion shall be with the discretion of the authority. Only one motion for reconsideration may be filed by each party and the filing of the motion shall not operate as a stay of the authority's final order or decision.

Following the Board's review, deliberation, and decision on these matters pursuant to Chapter 91, HRS, Chairperson De Luz announced that the Board reconvened to its regular Chapter 92, HRS meeting at 9:43 a.m. Board members and staff returned to the Zoom meeting.

DAG Leong clarified that the Motion for Reconsideration was dated December 2, 2021, which is beyond ten days after the Respondent received the Board's Final Order, and it did not state specifically what points of law or fact the authority has overlooked; therefore, the Board was required to deny the respondent's motion for reconsideration. The Board's Final Order dated December 15, 2020 remains in effect.

- B. In the Matter of the Motor Vehicle Dealer License of Windward Wheels, LLC, and In the Matter of the Motor Vehicle Salespersons License of Denise Saunders; MVI 2015-16-L [CONSOLIDATED

CASES]; Hearing Officer's Findings of Fact, Conclusions of Law  
and Recommended Order

The Board noted that the Hearings Officer recommends that the Board find and conclude that the preponderance of the evidence established that Respondents violated HRS §§ 436B-16(a); 436B-19(8); 437-12(a) and (b); and 437-28(a)(2), (3), and (4). For the violations found, the Hearings Officer recommends that Respondent's licenses be revoked for a period of five (5) years commencing on June 30, 2016. Written exceptions were filed and the Board received a request for oral argument.

Lauren Sugai, Esq., appeared on behalf of the Regulated Industries Complaints Office ("RICO"), Department of Commerce and Consumer Affairs, State of Hawaii ("Petitioner") and Anthony Fujii, Esq., appeared on behalf of Windward Wheels, LLC and Denise Saunders ("Respondents").

At 9:58 a.m., EO Yam commenced the proceedings. She explained to Ms. Sugai and Mr. Fujii that they will each be given a maximum of ten (10) minutes to present their oral arguments and five (5) minutes for rebuttal. After the parties have presented their oral arguments, the Board will deliberate on the matter in private before voting on its decision.

The floor was opened to Ms. Sugai to present her oral argument.

Ms. Sugai stated that she is substituting for Lianne M. Aoki, Esq., to present the Petitioner's oral argument and thanked the Board for allowing her to participate in this process.

Ms. Sugai related the facts of the case:

September 29, 2014:	Allen Ozaki purchased a vehicle from Respondents and Chad Ozaki paid fully in cash in the amount of \$5,700.00. Respondents failed to possess ownership of the vehicle at the time of sale and failed to deliver the certificate of ownership to Mr. Ozaki within a specified time period.
November 11, 2014:	Two persons acting as agents of Respondents seized possession of the vehicle from Allen Ozaki, and Mr. Ozaki filed civil action in First Circuit Court, State of Hawaii, in Civil No. 14-1-2349-11 KTN alleging Respondents violated HRS §§ 437-12(a) and 480-2.
November 5, 2015:	The court entered a Final Judgment in favor of Allen Ozaki against Respondents, and ordered Respondents to pay a monetary fine in the amount of \$32,100.00 ("Ozaki judgment"). Respondents were found guilty

of committing theft, conversion and fraud, as well as unfair and deceptive business practices.

It was also noted that Respondent failed to report the Ozaki judgment within 30 days to the Board as required by HRS §436B-16(a).

Ms. Sugai stated that the Respondents committed unfair and deceptive business practices and the Petitioner's interest is to protect Hawaii's consumers from such misconducts. Ms. Sugai emphasized that the Hearings Officer's Recommended Order ("HORO") does not serve the public's interest, because it nullifies the revocation without penalizing Respondents' misconducts and the Respondent will be able to re-apply for licensure immediately.

Ms. Sugai stated that backdating the revocation effective date is highly unusual and RICO is unaware of any DCCA Board or Program that has previously adopted a Final Order with a similar decision. She stated that backdating should only be used when mitigating an exceptional case and not when the Respondents clearly committed wrongdoing. Ms. Sugai stated that there are no law or facts to support why the Respondents' license revocation effective date should be backdated; therefore, this case does not warrant such circumstance or decision and it will set an extremely concerning precedent for all DCCA Boards and Programs should this HORO be adopted as the Board's Final Order.

Ms. Sugai stated that the Petitioner's written exception provided statutes to support that there is no statute of limitation for the State to bring action against a licensee. She also noted that no evidence was presented to show who was at fault for the cause of the alleged delay in processing this case. Ms. Sugai stated that the passage of time should not be an issue, but rather the Board should be focusing on respondent's egregious behavior and how to prevent potential harm in the future.

Lastly, Ms. Sugai emphasized that the respondents allowed the motor vehicle salesperson ("salesperson") license and motor vehicle dealer ("dealer") license to expire on June 30, 2016, by choice. Respondents chose not to renew the licenses and chose not to engage in the business of a salesperson or dealer after the licenses expired in 2016; therefore, there is no prejudice against respondents for this passage of time.

Based on the reasons set forth in the written exception and oral arguments presented, Ms. Sugai respectfully asked the Board to adopt the Hearings Officer's Findings of Fact and Conclusions of Law, but amend the Final Order to revoke Respondent's licenses for five (5) years commencing on the date that the Board issues its Final Order rather than backdating the effective date of the revocation to June 30, 2016 as noted in the HORO.

The floor was opened to Mr. Fujii to present his oral arguments.

Mr. Fujii stated that he represents Denise Saunders and Windward Wheels LLC. He thanked the Board for the opportunity to present his oral arguments.

Mr. Fujii stated that the written exception submitted by the Petitioner did not make a distinction of what Ms. Saunders asked for during the administrative hearing. Ms. Saunders only requested for the ability to re-apply for her salesperson license, not the dealer license, given the fact that the misconduct occurred over six years ago. Mr. Fujii stated that Ms. Saunders will be required to work under a dealer and subject to supervision for her salesperson activities. Moreover, should the HORO be adopted, Ms. Saunders will need to re-apply and her application will be reviewed by the Board.

Mr. Fujii stated that this has been a heavily litigated case and this case went before the Intermediate Court of Appeals (“ICA”). He emphasized that Ms. Saunders made restitution via a bond, and she has arrangements to reimburse the surety company.

Mr. Fujii noted that the Petitioner’s written exception included a non-exhaustive list of administrative case summaries where a license revocation or suspension was imposed effective upon the issuance of the Board’s Final Order after significant delay between the alleged incident and the filing of the petition.

Mr. Fujii stated that the list only included one case example that is related to the motor vehicle industry, MVI 2000-3-L, and the rest of the list contained extremely serious allegations, such as respondent acted in a sexually inappropriate with patients, failure to report decubitus ulcers on a care home resident, mishandled controlled substance at a health care facility, etc. Mr. Fujii emphasized that the Petitioner’s 6-year delay in processing this matter is unduly punitive and prejudicial upon Ms. Saunders. In comparison, he noted that the Petitioner was able to file its petition for MVI 2000-3-L within three years:

8. MVI 2000-3-L, et. al., Luxury Motors, Ltd. Respondent engaged in various wrongful conduct between 1992 and 2002, including selling motor vehicles without possessing the legal ownership certificate, failing to provide the certificates of title to customers, failure to comply with any law relating to licensing of motor vehicles, committing a fraudulent act in dealing with motor vehicles, engaging in improper business conduct, failing to provide written notice to the Board within thirty days of a judgment, and failing to maintain a history of competency, trustworthiness, fair dealing and financial integrity. RICO filed its petition on June 15, 2005. See January 24, 2006 HORO at 1-7. On

June 29, 2006, the BFO revoked Respondents' licenses and imposed a fine of \$82,000.00, with payment of the fine a condition for relicensure following the revocation period. See BFO at 2.

Mr. Fujii stated that auto sales is the only business that Ms. Saunders knew, and she is currently working in the hotel industry with significantly lower wages. Mr. Fujii emphasized that Ms. Saunders has served her punishment and monetary sanctions, and he asked the Board to trust the Hearings Officer's recommendations because Ms. Balaney was able to hear all the facts of this case in a lengthy hearing.

The floor was opened to Ms. Sugai and Mr. Fujii for rebuttal.

Ms. Sugai responded to Mr. Fujii's arguments. Ms. Sugai argued that although there was settlement negotiation and ICA litigation for this case, Ms. Saunders has not served her time and should not be allowed to re-apply for her licenses immediately. She also noted that litigation for civil case may take a long time; however, the issue at hand is not the passing of time between the alleged incident and the filing of the petition. Ms. Sugai noted that Mr. Fujii mentioned in his argument that the Petitioner's non-exhaustive list of administrative case examples provided other awful cases that involved sexual misconduct; however, she noted that Ms. Saunders conducts in this case are also extremely concerning. Ms. Saunders deceptively sold a vehicle to an elder person, took his money, and stole the vehicle from him afterwards. Ms. Sugai reminded the Board that there is no statute of limitation applicable to disciplinary actions against a licensee and there is no law or facts to support why the Respondent's license revocation effective date should be backdated.

Mr. Fujii stated that Ms. Saunders made restitution and there are currently no monies owed to Mr. Ozaki. Based on the facts of the case, Mr. Fujii noted that there was some degree of error upon the dealer's business operations; however, Ms. Saunders should be allowed to re-apply as a salesperson.

Mr. Fujii noted that he has seen DCCA petition for disciplinary action simultaneously or within a year of civil action cases or criminal cases in the past. He argued that with the accessibility of information available on the internet, DCCA should have been able to take action on Ms. Saunders's case sooner.

Mr. Fujii argued that this case will not set a precedent because no precedent is set at an administrative level until it is brought before judicial review.

Mr. Fujii respectfully asked the Board to adopt the Hearings Officer's Recommended Order as the Board's Final Order; however, he also reminded the Board that there is also an option of referring this case back

to the Hearings Officer.

Ms. Sugai concurred that the Board may also consider referring this case back to the Hearings Officer. Ms. Sugai stated that there are no facts to support how respondent was prejudiced by this delay of time and she indicated that the Petitioner did not have the opportunity to litigate this matter at the hearing. Ms. Sugai emphasized that the Board would set a precedent if the Board adopts the HORO as the Board's Final Order because RICO and Office of Administrative Hearings may reference past Final Orders of this Board and possibly other Boards or Programs to see if it may be applicable to a similar case in the future.

Chairperson De Luz called for a recess from the meeting at 10:17 a.m., to discuss and deliberate on the following adjudicatory matter pursuant to Chapter 91, HRS (Note: Board members and staff entered Microsoft Teams):

- B. In the Matter of the Motor Vehicle Dealer License of Windward Wheels, LLC, and In the Matter of the Motor Vehicle Salespersons License of Denise Saunders; MVI 2015-16-L [CONSOLIDATED CASES]; Hearing Officer's Findings of Fact, Conclusions of Law and Recommended Order

After discussion, it was moved by Mr. Wong, seconded by Mr. Uekawa, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting, to accept the Hearings Officer's Findings of Fact and Conclusions of Law, and to amend the Final Order to revoke the licenses for five (5) years commencing on the date that the Board issues the Final Order.

Following the Board's review, deliberation, and decision on this matter pursuant to Chapter 91, HRS, Chairperson De Luz announced that the Board reconvene to its regular Chapter 92, HRS, meeting at 10:37 a.m. Board members and staff returned to the Zoom meeting.

*At 10:43 a.m., Ivy Kim, Lauren Sugai, and Anthony Fujii left the meeting.*

Licensing:

- a. Ratifications:

It was moved by Mr. Hansen, seconded by Mr. Uekawa, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting, to ratify the licenses attached (see, attached list).

Unfinished Business:

- A. Email inquiry from Division of Purchasing, County of Kauai, seeking clarification on Chapter 437, HRS, and if they can procure motor vehicles from out-of-state motor vehicle dealers and subsequently ship the motor vehicle to Hawaii.



DAG Leong reminded members that the Board discussed this matter at its December 7, 2021 meeting.

The Board issued a non-binding interpretation at its April 24, 2002 meeting and the Board reaffirmed its position at its September 4, 2012 meeting, which provides that:

“Board counsel Rod Tam discussed a recent request by the City and County of Honolulu (“City”) on whether they would be in violation of chapter 437, HRS if they purchased buses directly from a manufacturer located outside the State of Hawaii, with the intent that acceptance would be made and the title of ownership would be transferred at the manufacturer’s site.

Tam noted that in general, HRS chapter 437 requires a person or entity that acts, engages in the business of, or advertises as a “dealer” or “salesperson” to be licensed. However, based solely on the information provided by the City, as long as:

1. The manufacturer did not solicit the sale in the State (i.e., the manufacturer is not acting as, engaging in the business of, or advertising as a “dealer” or “salesperson” in the State), and the City approached the manufacturer on its own;
2. There is no “middleman” involved in the sale who can be construed to be acting as a “dealer” or “salesperson”;
3. The manufacturer does not have a local representative/office in the State;
4. The sale is consummated outside the State; and
5. The City is solely responsible for transporting the transit buses/other specialized types of motor vehicles to the State,

it appears that the City is not prohibited under HRS chapter 437 from purchasing transit buses or other specialized types of motor vehicles directly from a manufacturer located outside the State.”

DAG Leong noted that manufacturers and distributors were not required to obtain licensure in Hawaii when the Board issued its non-binding interpretation in 2002. He clarified that Act 126, SLH 2003, amended HRS §437-2(a), and required manufacturers and distributors to obtain licensure in Hawaii; therefore, the Board should reconsider its 2002 non-binding interpretation.

Mr. Wong stated that the statute does not prevent a consumer from

purchasing a vehicle from out-of-State and shipping the vehicle to Hawaii themselves. HRS Chapter 437 requires those who engage in the business of selling, or solicit sales of, motor vehicles in this State to obtain licensure for consumer protection.

Chairperson De Luz stated that the County of Kauai should follow the State or County's procurement law and policies.

Chairperson De Luz recognized Eric Soderholm to provide oral testimony.

Eric Soderholm is of the opinion that the Board should advise County of Kauai or any state agency intending to procure motor vehicle to adhere to HRS Chapter 437 and follow all federal and state laws regarding procurement.

*Mr. Uekawa left the meeting at 11:17 a.m.*

DAG Leong stated that County of Kauai will need to follow the State or County's procurement law and whoever is responding to the County's bid will need to be licensed to sell motor vehicles in this State.

Chairperson De Luz recognized Eric Soderholm, Denise Soderholm, and Dave Rolf to provide oral testimony.

Mr. Soderholm noted that HRS Chapter 437 was established for consumer protection and to ensure services are available in Hawaii because of its unique geographical location.

HRS §437-1 provides that:

The legislature finds that:

\* \* \*

- (3) The geographical location of Hawaii makes it necessary to ensure that motor vehicles, parts and dependable service are available within the State to protect and preserve the transportation system and the investments of its residents.

Ms. Soderholm stated that the act of soliciting a County or State procurement bid is engaging in the business of selling or negotiating for the purchase of motor vehicle in this State.

Mr. Rolf agreed that those who engage in the business of selling motor vehicles are required to be licensed pursuant to HRS Chapter 437 and soliciting a County or State procurement bid is considered engaging in the business of selling motor vehicles.

*Mr. Uekawa returned to the meeting at 11:35 a.m.*

After discussion, it was moved by Mr. Hansen, seconded by Mr. Wong,

and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who voted NO, to instruct EO Yam to provide a response to Division of Purchasing, County of Kauai, which summarizes the above discussion and emphasizes that those who engage in the business of a motor vehicle dealer, salesperson, auction, manufacturer, or distributor in this State, or otherwise engage in the business of selling or negotiating for the purchase of motor vehicles in this State, shall adhere to HRS Chapter 437.

*DAG Leong and Ms. Weite left the meeting at 11:38 a.m.*

2022 Proposed  
Legislation:

A. Bills Relating to HRS Chapter 437 – Motor Vehicle Industry  
Licensing Act

i. HB 393, HD1 RELATING TO GROUND  
TRANSPORTATION

The Board reviewed the above bill.

The purposes of this bill are to: (1) establish goals for the State to reduce emissions that cause climate change and build energy efficiencies across all sectors, including establishing a clean ground transportation target for light duty vehicles and (2) prohibit the sale of new motor vehicles that are solely powered by fossil fuels and designed for personal use beginning on a date to be later determined, by motor vehicle dealers and salespersons.

EO Yam reminded members that this bill was carried over from the 2021 legislative session and the Board expressed concerns at its February 9, 2021 and April 13, 2021 meeting.

There were concerns that legislation prohibiting products would be unfair to consumers; in particular, the most vulnerable consumers due to high cost of manufacturing electric vehicles. The language would not preclude a consumer from purchasing a motor vehicle from out-of-State Dealer. Motor vehicle manufacturers are aware of the need to transition to electric vehicles; however, there is a considerable amount of time involved to evaluate assets and transition the motor vehicle fleet.

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to testify on this measure with comments and concerns regarding prohibition and the limitation of consumer choice, its consequent impact to commerce, and to report that Manufacturers see the need to change and are currently moving to non-fossil fuel fleets.

ii. HB 463 RELATING TO CLIMATE CHANGE

The Board reviewed the above bill.

The purposes of this bill are to: (1) set the goal of employing one hundred percent clean ground transportation for the public and private transportation sectors by December 31, 2030; (2) require all light duty motor vehicles procured pursuant to the Hawaii Public Procurement Code to be powered by renewable sources by January 1, 2030; (3) accelerate the State's goal of becoming one hundred percent reliant on clean energy and reaching its zero emissions clean energy target to 2030; (4) increase the goal for electricity use reductions achieved under the State's energy-efficiency portfolio standards; and (5) prohibit the sale of new motor vehicles powered solely by fossil fuels by January 1, 2030.

EO Yam reminded members that this bill is similar to HB 393 and it was also carried over from the 2021 legislative session.

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to testify on this measure with comments and concerns regarding prohibition and the limitation of consumer choice, its consequent impact to commerce, and to report that Manufacturers see the need to change and are currently moving to non-fossil fuel fleets.

iii. HB 602 / SB 171 RELATING TO REGISTRATION OF VEHICLES

The Board reviewed the above bills.

The purposes of these bills are to: (1) amend the procedure of transferring the title or ownership interest in a vehicle; (2) require the transferor, or transferor's representative with the appropriate documentation, and transferee to be appear in person before the clerk of the respective county department of motor vehicles to execute the transfer of title; and (3) exempt licensed dealers from appearing in person with the transferee to execute such transfer.

EO Yam reminded members that this bill was carried over from the 2021 legislative session and the Board expressed concerns at its February 9, 2021 and April 13, 2021 meeting.

There were concerns the amendments consequently required a thirty-day period, and placed the burden on the Dealer, but the Dealer has no control over the process because each County DMV handles the delivery of the certificate of ownership title.

These bills would require Dealers to hold more inventory; consequently, spending more on carrying costs, interest, insurance, and storage fees which may pass down to consumers.

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to testify in opposition to this measure.

iv. HB 804 RELATING TO ENVIRONMENTAL PROTECTION

The Board reviewed the above bill.

The purpose of this bill is to prohibit the sale by motor vehicle dealers and salespersons of new motor vehicles that are solely powered by fossil fuels and designed for personal use beginning 1/1/2035.

EO Yam reminded members that this bill is similar to HB 393 and 463, and it was also carried over from the 2021 legislative session.

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to testify on this measure with comments and concerns regarding prohibition and the limitation of consumer choice, its consequent impact to commerce, and to report that Manufacturers see the need to change and are currently moving to non-fossil fuel fleets.

v. SB 21 RELATING TO MOTOR VEHICLES

The Board reviewed the above bill.

The purposes of this bill are to: (1) beginning January 1, , 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; (2) prohibit 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; and (3) requires proof of compliance for dealers and individuals importing vehicles into the State.

EO Yam reminded members that this bill was carried over from the 2021 legislative session and the Board expressed concerns at its February 9, 2021 and April 13, 2021 meeting.

There were concerns the measure required Dealers and consumers to submit proof of compliance with the zero net vehicle growth policy; however, Dealers do not have a mechanism for tracking motor vehicles not within their inventory, and consumers are able to purchase motor vehicle out-of-State, but is subsequently required to demonstrate proof an existing vehicle in the State was recycled, destroyed, or transported out-of-State. Dealers would be further required to deliver a motor vehicle to a consumer who purchased from an out-of-State Dealer at no charge.

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to testify in opposition to this measure.

B. Other Bills Related to Motor Vehicles

EO Yam reported that majority of these bills are relating to registration of vehicles.

- i. HB 154 / SB425 RELATING TO REGISTRATION OF VEHICLES
- ii. HB159 HD1 / SB432 SD1 RELATING TO REGISTRATION OF VEHICLES
- iv. SB 373 RELATING TO MOTOR VEHICLES
- v. HB 1411 RELATING TO REGISTRATION OF VEHICLES

It was moved by Mr. Wong, seconded by Mr. Hansen, and carried by the majority, with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to track these bills.

- iii. HB 602/SB171 RELATING TO REGISTRATION OF VEHICLES

EO Yam noted that HB 602/SB171 were inadvertently placed on the agenda twice. By consensus, the Board removed Agenda item 6.B.iii.

2022 Legislative  
Delegation for the  
Legislative Session:

EO Yam asked if the Board would delegate a member to help provide testimony during the legislative session.

It was moved by Mr. Hansen, seconded by Mr. Wong, and carried by the majority with the exception of Vice-Chairperson Chow who was excused from the meeting and Ms. Weite who left the meeting, to delegate Mr. Wong to assist EO Yam to provide testimony during the legislative session.

Public Comment: None.

Next Meeting: April 12, 2022  
9:00 a.m.  
Virtual Videoconference Meeting  
Zoom Webinar

Adjournment: There being no further business to discuss, the meeting adjourned at 12:00 p.m.

Reviewed and approved by:

Taken and recorded by:

/s/ Jenny M. Yam

/s/ LaJoy Lindsey

\_\_\_\_\_  
Jenny M. Yam  
Executive Officer

\_\_\_\_\_  
LaJoy Lindsey  
Secretary

3/1/2022

[ ] Minutes approved as is.

[ X ] Minutes approved with changes. See Minutes of 4/12/22

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

**RATIFICATION LIST**

February 1, 2022

**MOTOR VEHICLE SALESPERSON TRANSFERS**

**CITY AND COUNTY OF HONOLULU**

ABE, YOSUKE L	JP AUTOMOBILES INC DBA PACIFIC HONDA
GARCES, CHRISTOPHER	ALOHA AUTO GROUP LTD DBA ALOHA KIA
GIHM, LAVONNE	JN GROUP INC DBA JN CHEVROLET
GREEN, TYLER	OHANA MOTORS INC
LEE, TAEHO	JN GROUP INC DBA JN CHEVROLET
OH, SHARON Y	LITHIA OF HONOLULU-F LLC
TAKUSHI RYAN	SERVCO SUBARU INC DBA SERVCO SUBARU HONOLULU
YONG, HENRY P H	KM REMARKETING LLC

**MOTOR VEHICLE SALESPERSON LICENSES**

**CITY AND COUNTY OF HONOLULU**

CS-20701-0	LYNCER T GANAL	TELESEEK AUTO LLC
CS-20698-0	LARRY D WILLIAMS	AUTO CATS AUTO SALES LLC
CS-20699-0	DAVID E WILLIAMS	AUTO CATS AUTO SALES LLC
CS-20702-0	CORBIN G GREGUREK	STOEBNER HOLDINGS INC
CS-20716-0	DUNCAN J E MORGAN	WINDWARD AUTO GROUP LLC
CS-20694-0	ANDRE ISAI FONG	TESLA INC
CS-20695-0	TYLER R HALLMARK	TESLA INC
CS-20696-0	JASON CHUN	JAYEX LTD
CS-20700-0	MACI A MATTHEWS	TESLA INC
CS-20703-0	JESSE S SATO	ALOHA AUTO GROUP LTD
CS-20705-0	TREVOR PALMER	ALOHA CAR DEALS LLC
CS-20706-0	NELSON SUA	ALOHA CAR DEALS LLC
CS-20707-0	ROGER VILLALOBOS	JN GROUP INC
CS-20708-0	SAMANTHA J HALM	JN GROUP INC
CS-20709-0	CODY B LASCONIA	RAINBOW CHEVROLET INC
CS-20710-0	REGINALD S K WONG	ALOHA AUTO MART LLC



CS-20712-0	MADISON R PINN	TESLA INC
CS-20715-0	MICAH KAHIWA	TESLA INC
CS-20697-0	LOLE TONGA	TONG & ZENG CORPORATION

**COUNTY OF HAWAII**

CS-20713-0	MARVIN D FOSTER	BIG ISLAND MOTORS INC
CS-20711-0	JOVEE M W RIVERA	TONY HAWAII HILO LLC

**COUNTY OF MAUI**

CS-20704-0	KARA BELLE MATTSSEN	OHANA AUTOMOTIVE GROUP INC
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**COUNTY OF KAUAI**

CS-20714-0	TAYLOR DON KEKONA TRAVASO	NIETHAMMER FAMILY LLC
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**MOTOR VEHICLE DEALER LICENSES**

MVD-1121-0	JAYEX LTD
MVD-1122-0	TONG & ZENG CORPORATION
MVD-1123-0	AUTO CATS AUTO SALES LLC

**MANUFACTURER LICENSES**

F-197-0	OPTIMAL ELECTRIC VEHICLES, LLC
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