

Honolulu, Hawaii  
April 4, 2014

RE: S.B. No. 2731  
S.D. 2  
H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2731, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO A CAR-SHARING VEHICLE SURCHARGE TAX,"

begs leave to report as follows:

The purpose of this measure is to create a Car-sharing Vehicle Surcharge Tax by:

- (1) Defining a Car-sharing Organization as a rental motor vehicle lessor that operates a membership program that includes set requirements;
- (2) Assessing the Car-sharing Vehicle Surcharge Tax in a similar manner as the Rental Motor Vehicle and Tour Vehicle Surcharge Tax;
- (3) Specifying that a Car-sharing Organization that is subject to the Car-sharing Vehicle Surcharge Tax will not also be subject to the Rental Motor Vehicle and Tour Vehicle Surcharge Tax; and
- (4) Allowing for the passing on of the Car-sharing Vehicle Surcharge Tax to the payor-organization's members.

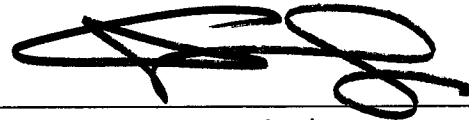


The Department of Transportation; Department of Planning and Permitting City and County of Honolulu; EAN Holdings, LLC; Hawaii Energy Policy Forum; Ulupono Initiative; Car2go; and the Pacific Resource Partnership supported this measure. The Department of Taxation; Department of Health; Office of Planning; Blue Planet Foundation; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2731, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2731, S.D. 2, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



SYLVIA LUKE, Chair



### Record of Votes of the Committee on Finance

<b>Bill/Resolution No.:</b> SB 2731, SD2, HD1	<b>Committee Referral:</b> TRN, FIN	<b>Date:</b> 3/28/14
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The committee is reconsidering its previous decision on the measure.

The recommendation is to:  Pass, unamended (as is)    Pass, with amendments (HD)    Hold  
 Pass short form bill with HD to recommit for future public hearing (recommit)

FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.	/			
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.				/
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
<b>TOTAL (17)</b>	<b>16</b>			<b>1</b>

The recommendation is:  Adopted    Not Adopted  
 If joint referral, \_\_\_\_\_ did not support recommendation.  
committee acronym(s)

Vice Chair's or designee's signature: \_\_\_\_\_

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