

175

Honolulu, Hawaii

APR 26 2019

RE: S.B. No. 162  
S.D. 2  
H.D. 3  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 162, S.D. 2, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Amend the amount of the rental motor vehicle surcharge tax;
- (2) Repeal the additional surcharge tax fee of \$2 for lessees who do not possess a valid Hawaii driver's license;
- (3) Deposit the surcharge tax revenues into the state highway fund, for statewide use, and the county subaccounts in the state highway fund for highway road capacity projects in the respective county; and



- (4) Appropriate money out of the state highway fund.

Your Committee on Conference finds that rental vehicle lessees make up a large proportion of public highway users, causing wear and tear on the State's roads. Your Committee on Conference further finds that as more individuals are converting to electric or alternative fuel vehicles, the State experiences a reduction in revenue received from the fuel tax. This measure will address the reduction in revenue received from the fuel tax by increasing the rental motor vehicle surcharge tax, regardless of an individual's residency.

Your Committee on Conference has amended this measure by:

- (1) Increasing the rental motor vehicle surcharge from \$3 to \$5;
- (2) Repealing the requirement that the additional \$2 surcharge fee collected from lessees without a valid Hawaii driver's license be deposited to the credit of the respective county subaccount of the state highway fund that corresponds to the county in which the rental motor vehicle was driver under rental or lease and instead depositing all amounts collected into the state highway fund;
- (3) Removing the appropriation out of the state highway funds; and
- (4) Making it effective upon approval.

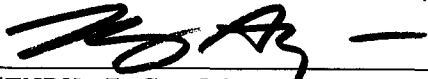
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 162, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 162, S.D. 2, H.D. 3, C.D. 1.



Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



HENRY J.C. AQUINO  
Co-Chair



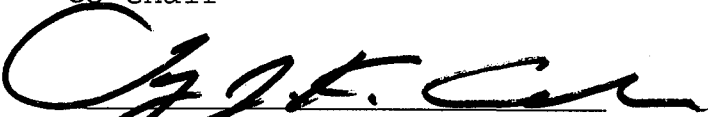
LORRAINE R. INOUE  
Chair



ROY M. TAKUMI  
Co-Chair



GILBERT S.C. KEITH-AGARAM  
Co-Chair



TY F.K. CULLEN  
Co-Chair



Hawai'i State Legislature

CCZ175

Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 162, SD 2, HD 3</b>	Date/Time: <b>4/26/2019 10:38 a.m.</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

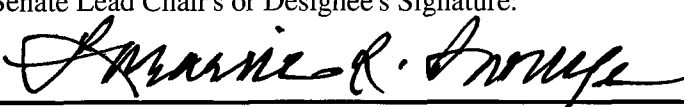
The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
INOUE, Lorraine R., Chr.	✓				AQUINO, Henry J.C., Co-Chr.	✓			
KEITH-AGARAN, Gilbert S.C., Co-Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
FEVELLA, Kurt				✓	CULLEN, Ty J.K., Co-Chr.	✓			
					HASHIMOTO, Troy N.	✓			
					YAMASHITA, Kyle T.	✓			
					MCDERMOTT, Bob	✓			
<b>TOTAL</b>	<b>2</b>			<b>1</b>	<b>TOTAL</b>	<b>6</b>			

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is:  
 Adopted       Not Adopted

House Recommendation is:  
 Adopted       Not Adopted

Senate Lead Chair's or Designee's Signature:  


House Lead Chair's or Designee's Signature:  


Distribution:      Original      Yellow      Pink      Goldenrod  
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