

STAND. COM. REP. NO.

202

Honolulu, Hawaii

FEB 12

, 2021

RE: H.B. No. 485

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 485 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to increase the rental motor vehicle surcharge tax from \$5 to \$8 beginning January 1, 2023.

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received testimony in opposition to this measure from the Avis Budget Group and Enterprise Holdings. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that rental motor vehicles make up a large proportion of public highway users, causing wear and tear on the State's roads. Your Committee believes that as the proportion of rental motor vehicles increases on the State's roadways, there must be an equal financial increase to offset the damage done to the State's roads. This measure will provide safer infrastructure enhancements for all users of the State's roads by increasing the amount of the rental motor vehicle surcharge.

2021-1517 HB485 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Changing the rental motor vehicle surcharge tax to a blank amount; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 485, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 485, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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


HENRY J. C. AQUINO, Chair



Record of Votes of the Committee on Transportation

Bill/Resolution No.: HB485	Committee Referral: TRN, CPC, FIN	Date: 2/10/21		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. AQUINO, Henry J.C. (C)	X			
2. ILAGAN, Greggor (VC)	X			
3. DeCOITE, Lynn	X			
4. HASHIMOTO, Troy N.	X			
5. KITAGAWA, Lisa	X			
6. NAKAMURA, Nadine K.	X			
7. TAKUMI, Roy M.	X			
8. MATSUMOTO, Lauren	X			
TOTAL (8)	8			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				