

STAND. COM. REP. NO. 302

Honolulu, Hawaii

FEB 17 2021

RE: S.B. No. 23  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred S.B. No. 23 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal vehicle license recovery fees.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from the Department of Transportation, Avis Budget Group, and Enterprise Holdings.

Your Committee finds that vehicle license recovery fees impose an additional fee to lessees of rental vehicles. Allowing these one-time fees to be passed on to lessees is a departure from the statutory policy in favor of passing on only recurring government taxes and fees. Your Committee also finds that vehicle license recovery fees are an attempt by rental car companies to advertise low base rates but subtly increase the actual per day rental rate by greatly increasing the applicable taxes and fees passed on to lessees, which may be detrimental to the State's tourism industry.



Your Committee has amended this measure by inserting an effective date of January 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 S.B. No. 23, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 23, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

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



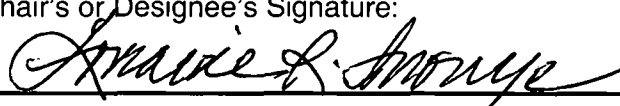
---

CHRIS LEE, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Transportation**  
**TRS**

Bill / Resolution No.:* <b>SB 23</b>	Committee Referral: <b>TRS, CPN/WAM</b>	Date: <b>2-11-2021</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)			✓	
ENGLISH, J. Kalani	✓			
SHIMABUKURO, Maile S.L.	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>4</b>		<b>1</b>	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes