

STAND. COM. REP. NO. 956

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 646
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 646, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the rental motor vehicle surcharge tax in certain counties.

More specifically, this measure:

- (1) Increases the rental motor vehicle surcharge tax from \$5 per day to \$8 per day for any county having a residential population of more than 125,000 but less than 195,000; and
- (2) Allocates this increase in the rental motor vehicle surcharge tax to the applicable county's subaccount within the State Highway Fund.

Your Committee received written comments in support of this measure from Maui Chamber of Commerce.

Your Committee received written comments in opposition to this measure from Avis Budget Group and Enterprise Holdings.



Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

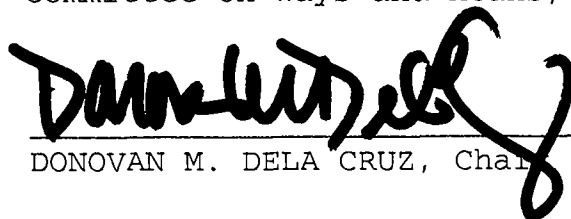
Your Committee finds that this measure will enable the implementation of necessary highway upgrades in the affected counties.

Your Committee has amended this measure by:

- (1) Codifying in section 251-5, Hawaii Revised Statutes, rather than section 251-2, Hawaii Revised Statutes, the requirement that, for a county having a residential population between 125,000 and 195,000, \$3 out of every \$8 collected for use of a rental motor vehicle in that county shall be deposited into that county's subaccount within the State Highway Fund; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 646, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 646, S.D. 2.

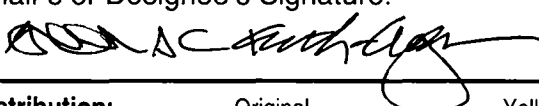
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>SB 646, SD 1</i>	<i>TRS, WAM</i>	<i>3/4/21</i>		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.			X	
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	<i>10</i>		<i>1</i>	
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes