

Honolulu, Hawaii

Feb 17, 2006

RE: H.B. No. 2244
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2244 entitled:

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

begs leave to report as follows:

The purpose of this bill is to authorize motor vehicle lessors to visibly pass on to the lessee, third party concession fees where the third party is an entity other than the Department of Transportation.

Cendant Car Rental Group, Inc., and the Hertz Corporation testified in support of this bill. The Department of Commerce and Consumer Affairs opposed this bill.


Currently, motor vehicle lessors at Hawaii airports are able to recover concession fees. Your Committee has concerns about the impact if lessors at hotel rental car locations are allowed to pass on concession fees to lessees.

In light of these concerns, your Committee has changed the effective date of this bill to July 1, 2050, to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2244, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2244, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



