

STAND. COM. REP. NO. 1811

Honolulu, Hawaii

*Aj-05*, 2007

RE: S.B. No. 1133  
S.D. 3  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1133, S.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to:

- (1) Increase the rental motor vehicle surcharge tax from \$3 to \$4 per day;
- (2) Increase the tour vehicle surcharge tax; and
- (3) Appropriate funds from the State Highway Fund.

The Department of Transportation supported this bill with amendments. The Hertz Corporation, Dollar Rent A Car, Enterprise Rent-A-Car, Hawaii Transportation Association, Robert's Tours and Transportation, Inc., Royal Star Hawaii, PHT, Inc., Paradise Cruise, Ltd., AVIS, Budget, and Catrala-Hawaii opposed this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.



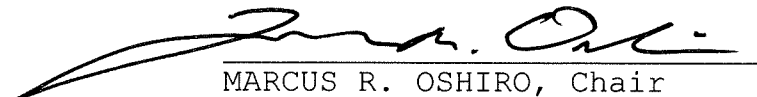
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Your Committee has amended this bill by:

- (1) Reinstating the current tour vehicle surcharge taxes, instead of increasing them;
- (2) Removing the appropriation from the State Highway Fund;
- (3) Requiring the Legislative Reference Bureau to conduct a review of the State Highway Fund and report its findings to the Legislature 30 days prior to the convening of the Regular Session of 2008;
- (4) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1133, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1133, S.D. 3, H.D. 1, and be placed on the calendar for Third Reading.

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

  
MARCUS R. OSHIRO, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HSCR 1811

**Record of Votes of the Committee on Finance**

Bill/Resolution No.: <b>SB 1133 SD3</b>		Date: <b>3/28/07</b>		
Committee Referral: <b>FIN</b>		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. BELATTI, Della Au		✓		
4. BROWER, Tom		<i>LAJ</i>	✓	
5. CARROLL, Mele	✓			
6. CHONG, Pono	✓			
7. HANOHANO, Faye P.	✓			
8. HAR, Sharon E.	✓			
9. MAGAOAY, Michael Y.	✓			
10. MANAHAN, Joey	✓			
11. MIZUNO, John	✓			
12. NAKASONE, Bob	✓			
13. RHOADS, Karl	✓			
14. SAGUM, Roland D., III				XX
15. TOKIOKA, James Kunane				XX
16. AWANA, Karen Leinani	✓			
17. MEYER, Colleen Rose	✓			
18. WARD, Gene, Ph.D.	✓			
TOTAL	14	1	1	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Marilyn B. Lee</i>				
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