

Honolulu, Hawaii

Feb 7, 2008

RE: H.B. No. 2952

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 2952 entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this bill is to assist in the renovation and development of car rental customer facilities at Hawaii's airports by:

- (1) Establishing a Car Rental Customer Facility Charge Special Fund (Special Fund); and
- (2) Authorizing the Department of Transportation (DOT) to establish and collect car rental customer facility charges to be deposited into the Special Fund.

Catrala Hawaii, The Hertz Corporation Hawaii Area, Avis Rent A Car, and Budget Rent A Car testified in support of this bill. Enterprise Rent-A-Car, Alamo Rent-A-Car of Oahu, National Car Rental of Oahu, Alamo Rent-A-Car of Hawaii, and National Car Rental of Hawaii testified in opposition to this measure. The Hawaii Insurers Council submitted comments.

The rental car industry plays a vital role in Hawaii's most important industry, tourism. To provide better customer service to individuals renting vehicles at our state's airports, improvements need to be made to the many facilities located at our airports that service rental car customers. Despite the



substantial financial contributions rental car companies make to the State Airports System, improvements of rental car facilities have not been high on the priority list for repair and improvements. Allowing DOT to establish and collect car rental customer facility charges for deposit into a Special Fund to be used for these improvements is an innovative idea that deserves consideration.

However, your Committee understands that a number of concerns and questions regarding this particular piece of legislation remain unanswered. One such concern focuses on the fairness of charging the fee for customers of rental car companies that do not do business at an airport or are not located at an airport. Additionally, questions remain regarding the use of Special Fund moneys to finance facilities that may only be used by rental car companies presently located at Hawaii's airports, and whether fees collected at a particular airport should be used by other airports. Nevertheless, your Committee finds that this issue deserves further consideration and respectfully requests the Committees on Economic Development and Business Concerns and Finance to look further into these matters.

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. 2952 and recommends that it pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

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



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JOSEPH M. SOUKI, Chair



