

STAND. COM. REP. NO.

2686

Honolulu, Hawaii

FEB 29 2008

RE: S.B. No. 2501
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2501, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to set a new daily rate for the rental motor vehicle surcharge tax.

Specifically, this measure repeals the \$3 a day rate in effect from September 1, 1999, to August 31, 2008, and the \$2 a day rate applicable thereafter for the rental motor vehicle surcharge tax, and sets an unspecified daily rate.

Your Committee received testimony in support of this measure from the Departments of Transportation and Taxation, Catrala Hawaii, and Dollar Thrifty Group. The Tax Foundation of Hawaii offered comments.

Your Committee finds that the \$3 a day rate will drop back to \$2 a day after August 31, 2008, unless the current law is amended. Your Committee finds that maintaining a consistently sufficient revenue stream available for the state highway fund is critical to maintaining the State's highway infrastructure. Increasing the rental motor vehicle surcharge tax will contribute greatly to building reserves in the state highway fund.



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. 2501, S.D. 2, and recommends that it pass Third Reading.

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



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB2501, SD2	Committee Referral: CPH, EDT, NAM	Date: 2/22/08		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.				/
INOUYE, Lorraine R.		/		
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul		/		
TOTAL	9	2	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Only one measure per Record of Votes