



Vanguard Car Rental USA Inc.

Honorable Joseph Souki, Chair
Committee on Transportation
House of Representatives
State of Hawaii

February 4, 2008

RE: HB 2952 – Relating to Transportation

Honorable Chair Souki and Honorable Committee Members:

My name is Elgine Onaka and I am the General Manager of Alamo Rent A Car and National Car Rental of Oahu. Alamo Rent A Car and National Car Rental currently has 13 rental locations within Hawaii.

Alamo Rent-A-Car and National Car Rental is opposed to this bill in its present form for the following reasons:

1. **No defined project.** – The Department of Transportation would like to improve various airports and projects across the State of Hawaii. This bill does not identify any specific new rent-a-car Consolidated Facility. It would be very difficult to start collecting a Customer Facility Charge for a project or projects that have not been identified or defined. Before moving forward we would like 1) acceptable location defined, 2) approved conceptual project design, and 3) a reasonable financing plan.
2. **Consolidated Facility Budget** - Currently there is no budget in place for this Consolidated Facility.
3. **Fee Collection** – The Department of Transportation has not been clear on what rent-a-car locations would collect this fee. We do not feel it would be fair or legal to collect a CFC fee from renters on Maui, Big Island, and Kauai for a CFC facility built on Oahu.
4. **Transfer of Funds** – We have concerns that the rent-a-car CFC money collected may be diverted to other projects not related to a new Consolidated Facility for rent-a-car companies at Hawaii Airports. It is our understanding that in the past, millions of dollars collected from our

renters to improve the State Highways have been transferred out of the State Highway fund for other projects not related to our State Highways.

5. **Existing Facilities** – We feel strongly that existing facilities needing improvement, enhancement, or renovation should be paid for by the current tenant. CFC money collected should only be used to build new Consolidated Facilities for rent-a-car companies.

6. **Property Acquisition** – CFC money collected should not be used to acquire property. CFC money collected should only be used to build new Consolidated Facilities for rent-a-car companies.

In closing, Alamo Rent-A-Car and National Car Rental is opposing the introduction of this proposed CFC legislation for the 2008 legislative session. We are willing to continue to work in good faith with the DOT and the rent-a-car industry to draft unanimously proposed CFC legislation in the future that addresses the concerns listed above. Thank you for allowing us to testify.



Vanguard Car Rental USA Inc.

Honorable Joseph Souki, Chair
Committee on Transportation
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Honorable Chair Souki and Honorable Committee Members:

My name is Mark Shimamoto and I am the Regional Fleet Manager of Alamo Rent A Car and National Car Rental of Hawaii. Alamo Rent A Car and National Car Rental currently has 13 rental locations within Hawaii.

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Representative Joseph Souki, Chair
House Committee on Transportation

LATE TESTIMONY

Monday, February 4, 2008 – 9:45 AM
Conference Room 309

RE: HB 2952 – Relating to Transportation

Chair Souki, Vice Chair Nishimoto, and Committee Members:

Avis and Budget Rent A Car supports HB 2952 which authorizes the Department of Transportation to establish and collect car rental customer facility charges and creates a car rental customer facility charge special fund. Throughout the country, rental car customer facility charges have been instituted as funding mechanisms for airport landside construction. Not unlike the Passenger Facility Charge (PFC) Program, which allows the collection of PFC fees every enplaned passenger at commercial airports to fund safety, security, or capacity, the proposed fees provide much-needed revenues when public funds are limited.

The visitor industry is a vital contributor to the State's economy and the rental motor vehicle industry is proud to provide a service to the traveling public which enhances their Hawaiian vacation. Many of our local rental offices are located on or near airport properties and we have found it increasingly difficult to adequately meet customer demands and expectations due to dated facilities at nearly all of the airports in which we operate.

Efficient, well-designed facilities improve operations, facilitate speedy service to customers, and improve the traffic flow in and out of the airport. At Hawaii's airports, our car rental facilities must often bring in cars from off-site lots because on-site facilities cannot accommodate a sufficient number of cars to meet customer demand. The construction of new facilities, particularly at Honolulu International Airport, will significantly increase efficiency and minimize traffic to and from the base yards located several miles from the airport.

Avis and Budget Rent A Car appreciate the Committee's commitment to establish a funding source for airport improvement projects and ask for your support of this measure.

Martin Mylott
Regional Manager, Hawaii
Avis Budget Group, Inc.