



Vanguard Car Rental USA Inc.

Honorable J. Kalani English, Chair
Committee on Transportation and International Affairs
Hawaii State Senate
State of Hawaii

February 4, 2008

RE: SB 2916 – Relating to Transportation

Honorable Chair English 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 Hawaii. 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. We are opposed to the collection of a Customer Facility Charge for a project or projects that have not been identified or defined. Before moving forward we would like 1) an acceptable location defined, 2) an approved conceptual project design, and 3) a reasonable financing plan.
2. **Consolidated Facility Budget** - Currently there is no budget in place for this new Consolidated Facility.

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3. **Fee Collection** – This proposed bill is not 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 rent-a-car customers 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 opposed to 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 address the concerns listed above. Thank you for allowing us to testify.

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