

MARITIME CONSULTANTS of the PACIFIC

serving Hawaii and the Pacific
February 21, 2008

SENATE COMMITTEE – WAYS AND MEANS
Chair Rosalyn Baker, Vice Chair Shan Tsutsui, and Members
Decision Making Hearing, February 21, 2008; 9:30 a.m. Conference Room 211

TESTIMONY OF MARITIME CONSULTANTS OF THE PACIFIC, LLC
SENATE BILL 3149
DELETION OF PART II – TOUR VEHICLE SURCHARGE

My name is William Anonsen and I am the Principal for Maritime Consultants of the Pacific, LLC. We support S.B. 3149 which would require the remittance of general excise tax revenues from liquid fuel sales to the state highway fund, and repeals provisions authorizing transfers of revenues deemed excess out of the state highway fund, however oppose a SD2 amendment which proposes to increase the tour vehicle surcharge with an unspecified amount.

For Hawaii, the importance of appropriately investing in our island's transportation system is critical to our future economic growth, quality of life and economic security. Throughout Hawaii's history, economic growth, prosperity, and opportunity have followed investments in our island's infrastructure. Hawaii's highways not only provide the backbone of our island economy by moving people and goods, they also employ thousands of workers and generate a significant share of total economic output. Hawaii's just in-time supply chain demands that we move our freight and people faster than our counterparts on the mainland. Unfortunately, our transportation infrastructure system currently is ill-prepared to handle the increased volumes of freight and people.

We must not dilute the core, basic highway funding formulas which are essential to maintaining the backbone of our transportation system. Full funding of the basic core highway programs and keeping the designated funding revenues intact will do the most to maintain and rebuild our highway network where it is critical needed. Our highway system is so important to our transportation network that its future must be secure and appropriately funded to ensure its successful implementation.

Cooperatively we should and must continue to play an active and aggressive part in advancing the idea of a transportation agenda that strengthens Hawaii's transportation system. We are living in a new world that requires new thinking and approaches to transportation that should be characterized by changed behaviors and measurable results.


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Our island infrastructure is not disposable; it is a strategic asset that must be properly maintained, renewed and protected. The impact of doing nothing will be increased congestion, decreased safety on our roads, and setbacks in our ability to provide and maintain a quality of life.

Mahalo for the opportunity to comment on this measure.

Sincerely,



William F. Anonsen
Principal
Maritime Consultants of the Pacific, LLC

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E NOA CORPORATION



February 21, 2008

TESTIMONY OF KATSUMI TANAKA, CEO
E NOA CORPORATION (dba E NOA TOURS AND WAIKIKI TROLLEY)

SENATE COMMITTEE ON WAYS AND MEANS
Chair Rosalyn Baker, Vice Chair Shan Tsutsui, and Committee Members
Public Hearing, February 21, 2008, 9:30a.m., Conference Room 211, State Capitol

SENATE BILL 3149 SD2
Deletion of Part II – Tour Vehicle Surcharge

My name is Katsumi Tanaka; I am the Chief Executive Officer of E Noa Corporation. The E Noa Corporation, doing business as E Noa Tours and the Waikiki Trolley, is a locally owned transportation company which has for over 30 years provided quality service to our island visitors and residents. We support the intent of this measure which would serve to protect the state highway trust funds from diversion to the general fund. We however, oppose a SD2 amendment which proposes to increase the tour vehicle surcharge with an unspecified amount.

Passage of this proposed amendment in Part II of SB 3149 would place but yet another financial burden on tour operators who have in recent years seen the leisure travel market shift to other more competitive destinations. We have seen declines in the Asian market and most recently the withdrawal of two NCL home-ported cruise ships to other travel destinations. These are having a dramatic impact on the local tour industry. This increase would place Hawaii as a vacation destination at a greater competitive disadvantage.

This proposed amendment further acerbates the tour vehicle industry which continues to be strapped with unprecedented fuel costs, increased operating costs, coupled with last year's weight tax increase which doubled the vehicle license fees surcharge.

We respectfully request that this amendment be deleted and the current surcharge levels be maintained until such time as their negative financial ramifications can be justified.

Thank you for opportunity to offer comments on this measure.

Respectfully,


Katsumi Tanaka
CEO

testimony

From: Dale Evans [dale@charleystaxi.com]
Sent: Wednesday, February 20, 2008 7:02 PM
To: testimony
Subject: SB3149 SD2 WAM 2/21/08 @ 9:30 am

LATE

testimony@capitol.hawaii.gov

Senator Rosalyn H. Baker, Chairman
 Ways & Means Committee

**Testimony of CHARLEY'S TAXI re SB3149 SD2
 In STRONG OPPOSITION to SD2 amendment in SB3149 re Transportation
 WAM decision-making Thursday, Feb 21, 2008 at 9:30 am Cf Rm. 211**

We fully support the intent of SB3149 to protect the state highway trust funds from diversions to the general fund and to deposit the GETax on fuels back into the state highway trust fund as before. Stop the leaking bucket, please!

We strongly oppose the SD2 version of SB3149, Part II, to increase the tour vehicle surcharge.

- Targeting private small businesses is unfair and discriminatory and bad public policy.
- Raising the tour vehicle surcharge is counterproductive, as declining sales result in lower revenues for the state.
- Tour vehicles and car rental surcharges account for a staggering 24 % of HDOT's revenues.
- Hawaii's tourist businesses face undue hardships due to slumping visitor numbers
- Higher fuel prices and labor costs plague the transportation industry.

Hawaii's visitor attractions, retailers, restaurants are primarily small businesses that depend on business from tour buses and car rentals. As a destination, Hawaii's high taxes on visitors and on businesses causes our industry from being price competitive in the marketplace. Repeat visitors are savvy and sophisticated in their budget decisions.

Please modify the changes in SD2 of SB3149 to delete the portion that will raise the tour vehicle surcharge.

Thank you for your courtesy and consideration of our views and perspective.

Sincerely,
 Dale Evans, CEO
 Charley's Taxi, Vans, Limousines & Shuttles

Dale Evans is President & General Manager of Charley's Taxi. Founded in 1938, this private small business is Hawaii's oldest passenger ground transportation company. With about 250 taxicabs, vans and limousines, its 300-plus drivers carry over 2.5 million passengers a year on Oahu. Charley's provides the finest, premium quality chauffeured services, giving customers special attention for MediCab, Taxi Shuttle, Executive Taxi, and the nation's only Japanese-speaking Taxi Dispatch.

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Dale Evans, Chairman and President
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2/20/2008