

STAND. COM. REP. NO. 12

Honolulu, Hawaii

FEB 02 2011

RE: S.B. No. 1328

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Transportation and International Affairs,
to which was referred S.B. No. 1328 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the annual motor vehicle registration fee from \$25 to \$45 for deposit into the State Highway Fund.

Your Committee received testimony in support of this measure from the State Department of Transportation and the City and County of Honolulu. Testimony in opposition to this measure was received from the Hawaii Transportation Association, Enterprise Rent-A-Car, Alamo Rent-A-Car, and National Car Rental in Hawaii. Comments on this measure were received from the Tax Foundation of Hawaii.

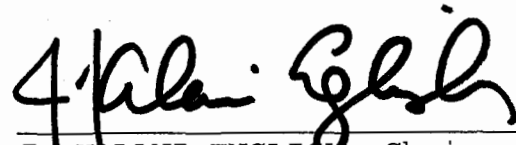
Your Committee finds that this measure improves the ability of the Department of Transportation to construct, operate, and maintain the state highway system. The current motor vehicle registration fee of \$25 was established by Act 158, Session Laws of Hawaii 2004. According to testimony of the Department of Transportation, this measure is estimated to provide an additional \$34,000,000 annually for the State Highway Fund. Your Committee finds that without the additional funding, the Department cannot properly maintain the state highway system which includes 2,479.36 lane miles. Although the State has increased the lane miles of the state highway system, the routine operation and maintenance



budget has not concomitantly increased to properly maintain the additional lane miles.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1328 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Transportation and
International Affairs,



J. KALANI ENGLISH, Chair



