

STAND. COM. REP. NO. 2670

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2946
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2946, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Extend the temporary increase in the rental motor vehicle surcharge tax to \$7.50 per day, and the deposit of \$4.50 per day of the tax revenue into the general fund, until June 30, 2013; and
- (2) Extend the suspension of rental motor vehicle customer facility charges until June 30, 2013.

Your Committee received comments on this measure from EAN Holdings, LLC.

Your Committee finds that although the rental motor vehicle surcharge tax was created to provide a funding source for construction of consolidated car rental facilities at airports throughout the State, a portion of the surcharge revenues needed to be diverted in 2011 to help mitigate the adverse effects of the significant budget shortfall experienced by the State. While the State's economy is showing signs of recovery, the diversion of surcharge revenues remains necessary in order to, among other things, offset the general fund cost to recapitalize the emergency and budget reserve and hurricane relief funds, because those

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funds' balances were also used in 2011 to help address the State's budgetary needs.

Your Committee has amended this measure by:

- (1) Extending, until June 30, 2015: the increase in the rental motor vehicle surcharge tax to \$7.50 per day, the deposit of \$4.50 per day of the tax revenue into the general fund, and the suspension of rental vehicle motor vehicle customer facility charges; and
- (2) Changing the revenue bond appropriation amount from \$50,000,000 to \$500,000,000 and making the section authorizing the bond authorization take effect on July 1, 2012.

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. 2946, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2946, S.D. 2.

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



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <i>SB2946, CDI</i>	Committee Referral: <i>TIA, WAM</i>	Date: <i>2-23-12</i>		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)		✓		
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol				✓
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.	✓			
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam			✓	
TOTAL	11	1	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes