



February 7, 2011

Representative Joe Souki, Chair and Representative Linda Ichiyama, Vice Chair
Committee on Transportation

**Testimony of the Land Use Research Foundation of Hawaii in support of HB 1531,
Relating to Highways. (Increases state liquid fuel tax to fund 6-year
modernization program.)**

Monday, February 7, 2011 at 9:00 a.m. in CR 325

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

We appreciate the opportunity to provide testimony in **support of HB 1531**, which will authorize the Department of Transportation (DOT) to pursue a six-year highway modernization program by amending the state liquid fuel tax, state vehicle registration fee state vehicle weight fee, and rental motor vehicle surcharge through the increases of various taxes. It also authorizes the implementation of a Vehicle Miles Traveled Pilot Program.

HB 1531. This bill proposes to amend sections 243-4(a), 249-31, 249-33(a), and 251-2(a), Hawaii Revised Statutes. DOT's proposal is justified to meet the economic needs of the State and preserve the unique quality of life of its residents and visitors. The goal is for the DOT to provide a safe, efficient, and effective land transportation system for the movement of people and goods. This bill would take effect on October 1, 2011.

LURF's Position. LURF **supports** HB 1531 because it will help alleviate traffic congestion on all islands, and it is the vehicle necessary to further stimulate Hawaii's economy. Although the increase in taxes may not be favored by island residents, the long term savings and improvements outweigh the benefits to the state and our island residents.

DOT recognizes that due to the extreme imbalance between programmatic needs and available resources, DOT is committed to undertaking a comprehensive transformation, re-evaluating its strategic policies, priorities, and organizational structure to meet the challenges of the twenty-first century. A major initiative of this comprehensive transformation is the development of clear performance criteria to properly drive investment decisions to ensure that the greatest public benefit will be achieved through the responsible management and expenditure of public funds.

HB 1531 lays out the overall six-year work program, which will be broken down by performance category, by county, and transportation corridors to better manage, monitor, and inform the public on the progress being made in improving performance. By accelerating the implementation of the identified programs and projects, DOT seeks major improvements in the identified performance categories.

Overall, HB 1531 will not only help create jobs, but will alleviate traffic and help reduce congestion from West Oahu, make improvements to major roadways on the neighbor islands, initiate shoreline protection, improve bikeway and pedestrian walkways and address some drainage issues on all islands. The massive repairs to Hawaii highways would include 183 projects across the state, which are noted in HB 1531.

Based on the above, we respectfully request this Conference Committee's **favorable consideration of HB 1531**.

LURF is in **support** for HB 1531, we respectfully urge your favorable consideration. The opportunity to present our testimony regarding this matter is greatly appreciated.