

**LATE TESTIMONY**

**avis budget** group

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Representative Joseph Souki, Chair  
House Committee on Transportation

Wednesday, February 8, 2012; 9:00 AM  
Hawaii State Capitol; Conference Room 309

**RE: HB 2800 – Relating to Transportation – In Opposition**

Chair Souki, Vice Chair Ichiyama, and Members of the Committee:

My name is Martin Mylott, Hawaii Regional Manager for Avis Budget Group. We are in opposition to HB 2800, which extends the sunset date for Act 104, sections 4 and 5, SLH 2011, from 2012 to 2017.

We are aware that last year's legislative action to suspend of the collection of the customer facility charges (CFC) for one year, increase the rental car surcharge tax by \$4.50 and deposit said amount to the general fund, was to address the budget deficit facing the State. However, the consolidated rental car facilities, financed by the CFC, support a critical revenue generator in the state's economy, tourism. The legislative justification for the imposition of the CFC in the first place was "to expedite the provision of needed rental motor vehicle customer facilities and related services that can better serve Hawaii's visitors and residents. . . The lack of such facilities has a detrimental effect on residents and visitors alike."

Consolidated rental car facilities exist in most major airports. The industry and the Department of Transportation (DOT) agreed to the CFC financing concept to support the construction of consolidated rental car facilities. CFC funds are currently committed to completing design and preliminary projects. The CFC needs to be reinstated to prevent further delay and increased costs in the construction of these facilities.

The bill also proposes reducing the remittance of the rental vehicle surcharge to the general fund, from \$4.50 to \$3.50. We believe this should result in a reduction in the rental vehicle surcharge from \$7.50 to \$6.50.

Thank you for the opportunity to provide comments.

Martin Mylott  
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Avis Budget Group, Inc.