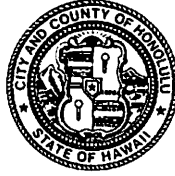


DEPARTMENT OF CUSTOMER SERVICES  
**CITY & COUNTY OF HONOLULU**  
DIVISION OF MOTOR VEHICLE, LICENSING AND PERMITS  
ADMINISTRATION  
P.O. BOX 30300  
HONOLULU, HAWAII 96820-0300

KIRK CALDWELL  
MAYOR



SHERI T. KAJIWARA  
DIRECTOR DESIGNATE

DENNIS A. KAMIMURA  
LICENSING ADMINISTRATOR

January 28, 2013

The Honorable K. Mark Takai, Chair  
and Members  
Committee on Veterans, Military, and  
International Affairs and Culture and the Arts  
State House of Representatives  
Hawaii State Capitol  
514 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Takai and Committee Members:

Subject: H.B. No. 170, Relating to Veterans

The City and County of Honolulu and Counties of Hawaii, Maui and Kauai have no objections to the intent of H.B. No. 170 which will allow for the exemption of taxes and fees for certain totally and permanently disabled veterans.

If the intent of this bill is to exempt these veterans from all motor vehicle taxes and fees similar to Section 249-6, HRS, we recommend that Section 249-6 be amended by adding a new section which would contain the language of subsection (c) on pages 3 and 4 of the bill. We further recommend that the last line of this new section be amended to read:

"shall not be required to pay any motor vehicle registration expenses as required by this [section] chapter. This exemption shall not extend to vehicles used for commercial purposes, nor to more than one vehicle of the disabled veteran."

The City and County of Honolulu and Counties of Hawaii, Maui and Kauai urge your favorable action on H.B. No. 170, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Kamimura".

Dennis A. Kamimura  
Licensing Administrator



January 29, 2013

**TESTIMONY IN SUPPORT OF HOUSE BILL 170  
RELATING TO VETERANS.**

**HOUSE COMMITTEE ON VETERANS MILITARY AND INTERNATIONAL  
AND CULTURAL AFFAIRS**

**HEARING ON WEDNESDAY, JANUARY 30<sup>TH</sup> AT 8:30 AM, IN CONFERENCE  
ROOM 312**

Aloha Chair Takai: The Oahu Veterans Council is honored to serve at the pleasure of our veterans and their families. On January 26<sup>th</sup>, our delegates reviewed and voted unanimously to support House Bill 170.

We are extremely grateful for your efforts to exempt certain totally and permanently disabled veterans from paying motor vehicle registration expenses.

Providing this legislative benefit in state law is very much appreciated by our disabled veterans and military personnel who serve so selflessly; they ask for no more recognition than we would expect for ourselves.

The Oahu Veterans Council respectfully urges your committee to consider passing House Bill 170 as written. Mahalo, for allowing us to testify, regarding this extremely important issue.

*Dennis Egge*

Dennis Egge; Chairman, Legislative Committee



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[www.oahuveternascenter.com](http://www.oahuveternascenter.com)

# TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

CONVEYANCE, MISCELLANEOUS, Exempt motor vehicle registration for disabled veterans

BILL NUMBER: SB 539; HB 170 (Identical)

INTRODUCED BY: SB by Espero, Green and 1 Republican; HB by Takai, Aquino, Johanson, McKelvey, Thielen and Tsuji

BRIEF SUMMARY: Amend HRS section 286-51 to provide that disabled veterans shall be exempt from the motor vehicle registration fees imposed under this section. These include: (1) fees charged for the issuance of a new certificate of motor vehicle ownership; and (2) highway beautification fees (including a fee for the removal of abandoned/derelict vehicles).

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: Incidental fees that may be collected along with the registration of a motor vehicle in the state may include a fee for the issuance of a duplicate or new certificate of ownership of a motor vehicle and fees for the beautification of highways and the removal of abandoned or derelict vehicles. The amount of the fees varies by counties. This measure proposes to exempt disabled veterans from these specific motor vehicle registration fees.

It should be remembered that any reduction in fees for a particular program or purpose granted to a select group of motor vehicle owners would result in the lost revenues being made up by those who must continue to pay the fees. Motorists who will have to pick up the additional cost created by this proposed exemption should hold those who would propose such an exemption responsible for raising their taxes.

It should be remembered that these fees, in addition to the fuel tax, the motor vehicle weight tax and registration fees, are user charges designed to recover the cost of construction and maintenance of Hawaii's highway system. All motorists who use the state highways should pay their fair share of that cost. While these specific fees go toward beautification or, in the case of the certificate of ownership which accrues to the general fund, the exemption proposed is not based on whether or not the beneficiary of the exemption is capable of paying the fee. Exemptions based solely on physical condition or age have no place in the tax law and represents poor tax policy. So while the exemption would provide relief to a disabled veteran, a single mom making minimum wage, barely making ends meet, must continue to pay these fees. As such, this proposal cannot be justified.

Digested 1/25/13

STATE OF HAWAII  
DEPARTMENT OF DEFENSE

**LATE TESTIMONY**

TESTIMONY ON HOUSE BIL 170, RELATING TO VETERANS

PRESENTATION TO THE

COMMITTEE ON VETERANS, MILITARY, & INTERNATIONAL AFFAIRS,  
& CULTURE AND THE ARTS

BY

MR. RONALD P. HAN  
DIRECTOR OF THE STATE OFFICE OF VETERANS SERVICES

January 30, 2013

Chair Takai and Vice Chair Ito and Committee members:

I'm Ron Han, Director of the State Office of Veterans Services (OVS). I appreciate this opportunity to provide testimony in support of the concepts in House Bill 170.

This measure would exempt certain total and permanently disabled veterans from paying any motor vehicle registration expenses. People who qualify must be a resident of Hawaii and be a 100% disabled veteran as determined by the United States Department of Veteran Affairs (VA) or its predecessor and in receipt of disability retirement pay. These individuals shall not be required to pay any motor vehicle registration expenses.

**Recommend Changes: Paragraph C(2) on Page 4**

**Discharge must be other than dishonorable from the United States uniformed armed forces;**

I believe that this is necessary to give back to those who have served valiantly in uniform in support and in sacrifice to our country. The freedoms we enjoy today and been paved by their dedicated and honored service.

We defer to the agency with direct responsibility for implementation.

The OVS supports the concepts and intent expressed in this measure as long as its implementation does not impact or replace the priorities set forth in the Executive Biennium Budget for Fiscal Biennium 2013-2015.

Thank you for this opportunity to provide testimony on behalf of Hawaii's Veterans and their families in support of HB 170

NEIL ABERCROMBIE  
GOVERNOR



**LATE TESTIMONY**

GLENN M. OKIMOTO  
DIRECTOR

Deputy Directors  
DEAN FUCHIGAMI  
JANE BUTAY  
RANDY GRUNE  
JADINE URASAKI

IN REPLY REFER TO:

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

January 30, 2013

**H.B. 170  
RELATING TO VETERANS**

House Committee on Veterans, Military, International Affairs, & Culture and the Arts

The Department of Transportation (DOT) appreciates veterans and respectfully recognizes the merits to reward their sacrifices for duty, honor and country with lower fees and charges.

However, the DOT **opposes** HB 170 because it would have an adverse impact on fees that support the operations, maintenance, and construction of our highways.

This lower fee for the state vehicle weight tax will reduce the revenues deposited into the State Highway Fund. The state vehicle weight tax is estimated to make up 26 percent of the total State Highway Fund Revenues for fiscal year 2014 and any proposed decrease would have a negative impact on the health of the State Highway Fund.

Thank you for the opportunity to provide testimony.

