

STAND. COM. REP. NO.

4

Honolulu, Hawaii

JAN 30 2013

RE: S.B. No. 726
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Transportation and International Affairs,
to which was referred S.B. No. 726 entitled:

"A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE
TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to require the rental motor vehicle surcharge tax for car-sharing organizations to be prorated at 12.5 cents per hour for rentals of less than six hours and at existing per day rates for each rental of six hours or longer.

Your Committee received testimony in support of this measure from the Department of Transportation; EAN Holdings, LLC; and two individuals. Comments were received from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that car-sharing is a green transportation innovation that significantly reduces vehicle miles traveled, oil imports, greenhouse gas emissions, and household transportation costs for Hawaii residents. Car-sharing is a fairly new transportation innovation in the United States that has emerged only in the last ten years. It is essentially membership-based hourly car rental. Unlike traditional car rentals, however, car-sharing is not aimed at tourists or individuals who are getting personal vehicles repaired. Car-sharing members are people who either cannot afford to or prefer not to own their own vehicles but occasionally need access to vehicles to run errands.

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Car-sharing enables them to enjoy the benefits of automobile access without the high fixed costs and other concerns that come with car ownership.

Your Committee has amended this measure by exempting car-sharing organizations from the rental motor vehicle surcharge tax entirely.

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. 726, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 726, S.D. 1, 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



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and International Affairs
TIA

Bill / Resolution No.:* SB 726	Committee Referral: TIA, WAM	Date: 1/28/13		
<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
ENGLISH, J. Kalani (C)	X			
DELA CRUZ, Donovan M. (VC)	X			
ESPERO, Will	X			
GABBARD, Mike	X			
KAHELE, Gilbert	X			
KEITH-AGARAN, Gilbert S.C.	X			
KOUCHI, Ronald D.	X			
SOLOMON, Malama	X			
SLOM, Sam	X			
TOTAL	9			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes