STATE OF HAWAII DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1667 HD3 SD1 A BILL RELATING TO VETERANS

PRESENTATION TO THE SENATE COMMITTEE ON WAYS AND MEANS

BY

MAJ GEN DARRYLL D. M. WONG

ADJUTANT GENERAL AND DIRECTOR OF STATE CIVIL DEFENSE

March 28, 2014

Chair Ige, Vice Chair Kidani, and the Members of the Senate Committee on Ways and Means.

I am Major General Darryll D. M. Wong, Adjutant General, and I am testifying in **SUPPORT** of House Bill 1667 HD3 SD1.

This bill exempts qualifying totally and permanently Disabled Veterans who are 100% Veterans Affairs (VA) rated from paying the State motor vehicle registration fee. As of November 2013, the Department of Veterans Affairs reported there are 2,203 Hawaii veterans rated at 100% disability.

This exemption would be a small recognition of those veterans who incurred military related injuries and are now rated 100% disabled.

Thank you for allowing me to testify in **SUPPORT** of House Bill 1667 HD3 SD1.

DEPARTMENT OF CUSTOMER SERVICES CITY AND 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

PRESTON P. H. K. KO ACTING LICENSING ADMINISTRATOR

TESTIMONY OF PRESTON KO, ACTING LICENSING ADMINISTRATOR CITY AND COUNTY OF HONOLULU, DEPARTMENT OF CUSTOMER SERVICES Friday, March 28, 2014, 9:30 a.m., Conference Room 211

HOUSE Bill 1667 HD3 SD1, "RELATING TO Veterans"

Position: Comments

TO: The Honorable David Y. Ige, Chair and Members of the Committee on Ways and Means

The City and County of Honolulu has no objections to H.B. No. 1667 HD3 SD1 which allows the exemption of the state motor vehicle registration fee for one noncommercial motor vehicle registered to certain one hundred percent disabled veterans.

In accordance with Section 249-31(b), HRS, the \$45 annual state registration fee includes \$40 deposited into the State highway fund and \$5 into the emergency medical services special fund. We recommend that if it is the Legislature's intent to apply the fifty percent only to the \$40 deposited into the State highway fund, that the bill be amended to specify this distinction.

Thank you for the opportunity to comment on H.B. No. 1667 HD3 SD1.

Sincerely,

Preston P. H. K. Ko

Acting Licensing Administrator

STATE OF HAWAII DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 1667, HD3, SD1 (SSCR2961), RELATING TO VETERANS

PRESENTATION TO THE

SENATE COMMITTEES ON WAYS AND MEANS

BY

MR. RONALD P. HAN

DIRECTOR OF THE STATE OFFICE OF VETERANS SERVICES March 28, 2014

Good morning Chair Ige, Vice Chair Kidani and Committee Members:

I'm Ron Han, Director of the State Office of Veterans Services (OVS). I appreciate this opportunity to support the concept of House Bill 1667, HD3, SD1 which exempts qualifying totally and permanently Disabled Veterans who are 100% Veterans Affairs (VA) rated from paying the State motor vehicle registration fee.

It also requires the Office of Veterans Services to report the number of qualifying Veterans to the Legislature and Department of Taxation annually and to change the effective date to September 1, 2014 to give the City Customer Services adequate time to update their computer system for vehicle registration.

As of November 2013 and according to VA metrics for Hawaii, there were 2,203 Veterans rated at the 100% disability rating.

The OVS supports the intent of this measure as long as its implementation does not impact or replace the priorities set forth in the Executive Budget for Fiscal Year 2015.

Thank you for this opportunity to submit testimony on behalf of Hawaii's Veteran community.



Hawaii Chapter, MOAA P.O. Box 1185 Kailua, Hawaii 96734-1185

Testimony of

Thomas Smyth

Military Officers Association of America, Hawaii Chapter Before the

Committee on Ways and Means

Friday, March 28, 2014, 9:30 pm, Room 211

HB 1667 HD 3 SD1 Relating to Veterans

Chair Ige, Vice Chair Kidani and Committee Members

Our chapter of 500 retired and currently serving officers of the Uniformed Services strongly supports the intent of HB 1667, HD 3, SD1, as amended. This important bill provides a specific vehicular tax for an honorably discharged armed services veteran who is a Hawaii resident and is permanently totally disabled. Unfortunately the tax is only reduced by half the original amount, but we understand the budget impact and thus support at least this small benefit to those who have given so much.

We note that it is likely that such a veteran would have a relatively heavy vehicle to accommodate his or her disability, so this tax structure is especially important to those with these disabilities.

We understand that those charged with issuing state vehicle tax bills understand how the veteran's disability system works and can accommodate this added tax variation.

Thank you for the opportunity to provide this testimony.

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Exempt motor vehicle registration for disabled veterans

BILL NUMBER: HB 1667, SD-1

INTRODUCED BY: Senate Committees on Transportation and International Affairs and Public Safety,

Intergovernmental and Military Affairs

EXECUTIVE SUMMARY: Provides that one noncommercial motor vehicle owned by disabled veterans who are residents of the state shall be exempt from paying half of the state motor vehicle registration fee. Since 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 be paying for good and safe roads. Any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay.

BRIEF SUMMARY: Adds a new section to HRS chapter 249 to provide that any totally and permanently disabled veteran who is: (1) a resident of Hawaii; (2) other than dishonorably discharged from the U.S. uniformed armed forces; (3) determined by the U.S. Department of Veterans Affairs to have a service-connected 100% disability rating for compensation or a service-connected disability rating of 100%; and (4) in receipt of disability retirement pay from any branch of the uniformed armed forces, shall be exempt from paying 50% of the state motor vehicle registration fees provided the exemption shall not extend to vehicles used for commercial purposes, nor to more than one vehicle of the disabled veteran.

EFFECTIVE DATE: January 1, 2015

STAFF COMMENTS: This measure proposes to allow disabled veterans who are residents of the state to register one noncommercial motor vehicle to be exempt from paying 50% of the state motor vehicle registration fee. The legislature by Act 141, SLH 2008, exempted from the motor vehicle weight taxes, one noncommercial motor vehicle owned by members of the national guard, reserves, active duty armed services, including the coast guard, who are residents of Hawaii.

Inasmuch as 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, there is little justification for the proposed exemption. All motorists use the state highways and should, therefore, lend a hand in paying for good and safe roads. Any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay. 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. Motorists who will have to pick up the additional costs created by this proposed exemption should hold those who would propose such an exemption responsible for raising their taxes.

Digested 3/27/14

Testimony in support of House Bill HB1667 HD3 SD1 A Bill Affecting Veterans Before the Senate Ways & Means Committee on 03/28/14 at 9:30AM in Concerence Room 211

Chair Inge, Vice Chair Kidani, Committee Members

Thank you for the opportunity to submit written testimony here today.

For the past six years the needs of the Transportation Department have outweighed the need to help permanently disabled Veterans residing in Hawaii. During the past six years, the tax on vehicle registration has increased two or three times and the budget for the Transportation Department has increased considerably!

In 2008, a *full* exemption of the registration fees was granted to the National Guard, other military Reserves, and active duty military personnel claiming Hawaii as their legal residence of record. Permanently disabled Veterans were, for whatever reason, not included!

Permanently Disabled Veterans still endure an appreciable degree of pain; all of them are still unable to seek gainful employment; most likely all of them still suffer varying degrees of PTSD and some the effects of exposure to Agent Orange; many suffer the loss of limbs; and many must rely on a wheelchair to get around!

Amendment SD1 essentially "guts" this bill! Our disabled Veterans will not understand how any member of our Congress, in good conscience, can deny a *full* exemption to *permanently disabled* Veterans, who have for years been individually unemployable, when they have already granted it to other military personnel who are gainfully employed? How, ladies & gentlemen? Are permanently disabled Veterans only half as deserving as those who have already been granted the full exemption?

The City maintains that it will take seven (7) months to make the various changes to their computer program. Veterans will believe this to be a ploy to prevent the expected loss of revenue during the current budget year! I believe we are in serious trouble if it takes programmers seven months to make the changes. The primary concern should be to ensure that all eligible Veterans can claim this exemption for 2014! Veterans have already waited six years for this decision!

The affected Veterans respectfully request that this Committee approve HB1667 authorizing a *full* exemption with the bill *effective upon its passage and retroactive to 1 January 2014!*

Very respectfully, Brooks W. Outland, Senior Chief USN (Ret), 87-1057 Huamoa Street, Waianae, HI 96792, 744-2945

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: sonnyfernan@msn.com

Subject: Submitted testimony for HB1667 on Mar 28, 2014 09:30AM

Date: Tuesday, March 25, 2014 11:23:09 PM

HB1667

Submitted on: 3/25/2014

Testimony for WAM on Mar 28, 2014 09:30AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing	
Stanley Y. Fernandez Sr.	Individual	Support	No	

Comments: In Support of HB1667. This reflects another means for the State of Hawaii to honor our disabled veterans who have served their country and nation.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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