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SB2731

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Testimony for WAM on Feb 25, 2014 09:20AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ben Robinson	Individual	Support	No

Comments:

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SENATE COMMITTEE ON WAYS AND MEANS

February 25, 2014, 9:20 A.M.

Room 211

(Testimony is 2 pages long)

TESTIMONY IN SUPPORT OF SB 2731 SD1

Chair Ige and members of the Ways and Means Committee:

The Blue Planet Foundation supports SB 2731 SD1, establishing a separate car sharing vehicle surcharge tax to encourage car sharing as an innovative transportation option. Car sharing programs will help reduce the burdens of individual car ownership as well as reduce vehicle miles traveled, oil imports, greenhouse gas emissions, and household transportation costs for Hawaii residents. We believe this measure is a fair policy and will help remove a barrier to the establishment of car sharing organizations and services in Hawaii.

Blue Planet prefers, however, that no surcharge tax be levied on car share vehicles as they provide a mobility solution that can help Hawaii achieve its clean energy goals.

Blue Planet's mission is to end the use of fossil fuels on Earth, starting by making Hawai'i a role model for energy independence. While much of our work has been focused on renewable energy and reducing electricity use, transportation in Hawaii (cars, trucks, ships, and planes) accounts for approximately two-thirds of the oil consumed. In 2013, Hawaii cars burned nearly 450 million gallons of gasoline. For a typical car, that's enough gasoline to cover the distance equivalent to over 21,000 round trips to the moon. As of February 2014, there are 1,110,237 registered passenger vehicles in Hawaii. If these vehicles were put bumper-to-bumper it would form a line approximately from Honolulu to Denver, Colorado.

Many individuals and households in Hawaii don't need to own a car, they would just like access to a vehicle when needed. Similarly, many folks own a low fuel economy truck because they need the capacity for work (or play), but then end up using the larger vehicle mostly for passenger or in-town use. Car sharing programs would provide another mobility alternative for individuals and households, and perhaps for some, obviating the need to purchase and own a vehicle. Car sharing provides the benefits of having a vehicle when needed while avoiding the cost and hassle of car ownership. Senate Bill 2731 SD1 helps to remove a cost barrier to car

sharing by assessing a prorated daily car share surcharge tax on each car share vehicle instead of the typical daily rental rate.

Car sharing is designed to replace car ownership for people who do not need to drive to work every day, and to reduce congestion and fossil fuel consumption. Car Sharing pilot projects like Witkar began as early as the 1960's and 1970's, but modern car sharing programs launched in 1987 in Switzerland and later in 1988 in Germany, and came to North America via Quebec City in 1994. (The first successful car share in the United States was Portland, Oregon's CarSharing-PDX.) As of July 1, 2011 (based on an analysis by Susan Shaheen of the University of California, Berkeley) 26 U.S. car sharing programs claimed 560,572 members sharing 10,019 vehicles; and 78,840 members shared 2,605 vehicles among 20 car sharing organizations in Canada .

Blue Planet supports amending SB 2731 SD1 with no monthly car share surcharge tax to help encourage car sharing as an affordable option. These vehicles already pay registration fees as well as other taxes, such as GET. If a surcharge tax is necessary, a low **monthly** surcharge is preferred as it would be easiest to administer and audit.

We believe car sharing programs can help reduce the cost of mobility for Hawaii residents while helping us to achieve our clean energy goals.

Thank you for the opportunity to testify.



COLLEGE OF SOCIAL SCIENCES
HAWAII ENERGY POLICY FORUM
UNIVERSITY OF HAWAI'I AT MĀNOA

Hawaii Energy Policy Forum

Jeanne Schultz Afuvai, HI Inst. for Public Affairs
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Warren Bollmeier, HI Renewable Energy Alliance
Albert Chee, Chevron
Elizabeth Cole, The Kohala Center
Leslie Cole-Brooks, HI Solar Energy Assn
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Laura Dierenfield, Queen Lili'uokalani Trust
Mitch Ewan, UH HI Natural Energy Institute
Jay Fidell, ThinkTech HI, Inc.
Carl Freedman, Haiku Design & Analysis
Sen. Mike Gabbard, HI State Senate
Dan Giovanni, Hawaiian Electric Company
Mark Glick, State Energy Office, DBEDT
Justin Gruenstein, City & Co. of Honolulu
Dale Hahn, Ofc of US Sen Brian Schatz
Michael Hamnett, Research Corp. of the UH
Robert Harris, Sierra Club
Rachel James, Ofc of US Rep. Tulsi Gabbard
Jim Kelly, Kaua'i Island Utility Cooperative
Darren Kimura, Energy Industries
Kelly King, Sustainable Biodiesel Alliance
Kal Kobayashi, Maui County Energy Ofc
Rep Chris Lee, HI House of Representatives
Gladys Marrone, Building Industry Assn of HI
Doug McLeod, Maui County
Stephen Meder, UH Facilities and Planning
Lauren Montez-Hernandez, Ofc of Sen Mazie Hirono
Hermiona Morita, Public Utilities Commission
Sharon Moriwaki, UH So. Sci. Public Policy Ctr
Ron Nelson, U.S. Defense Energy Support Center
Tim O'Connell, U.S. Dept of Agriculture
Jeffrey Ono, Division of Consumer Advocacy, DCCA
Darren Pai, Hawaiian Electric Company
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Melissa Pavlicek, Hawaii Public Policy Advocates
Randy Perreira, HI Government Employees Assn
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Will Rolston, Hawai'i County
Riley Saito, SunPower Systems Corp
Joelle Simonpietri, U.S. Pacific Com. Energy Ofc
H. Ray Starling, Hawaii Energy
Ben Sullivan, Kaua'i County
Lance Tanaka, Tesoro Hawai'i Corp
Maria Tome, State Energy Office, DBEDT
Ah Linn Yamane, HI Government Employees Assn

Testimony of Mitch Ewan
Chair, Transportation Working Group
Hawaii Energy Policy Forum
before the
Senate Committee on Ways and Means
Senator David Ige, Chair
Senator Michelle Kidani, Vice Chair
And Members

LATE

Tuesday, February 25, 2014 at 9:20 a.m., Conference Room 211

**IN STRONG SUPPORT OF SB2731 SD1, Relating to A Car Sharing Vehicle
Surcharge Tax**

The Hawaii Energy Policy Forum (“Forum”) is an organization, created in 2002, and comprised of 46 representatives from Hawaii’s electric utilities, oil and natural gas suppliers, environmental and community groups, renewable energy industry, and federal, state and local government, including representatives from the Neighbor Islands. Our vision and mission, and comprehensive “10 Point Action Plan” serves as our guide in advancing Hawaii’s toward its preferred energy goals.

SB2731 SD1 proposes amendments to *Section 251, Hawaii Revised Statutes* to create a car-sharing vehicle surcharge tax. This addresses the current situation where the State Rental Car Surcharge taxes each car-share trip at the same flat rate as a daily car rental, resulting in tax rates well over 30% for a one-hour car-share trip.

The Forum supports the intent of this measure to provide our residents with affordable energy-efficient transportation options. At issue is the level of the surcharge for vehicles rented for less than a day, many for a couple hours; and the most efficient method of calculating and administering it. SB2731 SD1 addresses this issue and the only outstanding issue is the total amount of daily surcharge.

The Forum’s Transportation Working Group has been working with affected stakeholders on this bill, which represents an important step in energy-efficient transportation. We, however, defer to the departments of transportation and of taxation on the specific surcharge fee that can be efficiently administered.

Based on the foregoing, **we strongly support SB2731 SD1.**

Thank you for the opportunity to testify.

This testimony reflects the position of the Forum as a whole and not necessarily of the individual Forum members or their companies or organizations.