



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

**DAVID Y. IGE**  
GOVERNOR

**LUIS P. SALAVERIA**  
DIRECTOR

**MARY ALICE EVANS**  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: [www.hawaii.gov/dbedt](http://www.hawaii.gov/dbedt)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Tuesday, April 5, 2016  
8:55 a.m.  
State Capitol, Conference Room 415  
in consideration of  
**HB2086, HD2, SD2 (Proposed)**  
**RELATING TO TRANSPORTATION**

Chair Tokuda, Vice Chair Dela Cruz and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of House Bill 2086, HD2, SD2 (Proposed) and offers the following comments.

HB2086, HD2, SD2 (Proposed) addresses immediate deficits in the state highway fund. With increases in fuel efficient vehicles available to the public, it is clear that the current gas fuel tax is not sustainable for future highway funding. Transportation industry experts have indicated that Federal Corporate Average Fuel Economy (CAFE) standards are driving improvements in fleet fuel efficiency, which is expected to reduce fuel consumption and erode Hawaii's state gas tax revenue per mile driven. DBEDT recognizes that public infrastructure requires everyone to share responsibility and supports modestly increasing revenues to provide needed infrastructure enhancements for motorist, pedestrians, bicyclists, and transit users.

DBEDT also respectfully requests to re-insert the language from HB2086, HD2, SD1 into HD2086, HD2, SD2 (Proposed). HB2086, HD2, SD1 amended the statewide transportation plan to include bicycle facilities as part of the transportation system components, required the Department of Transportation (DOT) to develop a survey on travel behavior and each county to develop transportation mode sharing plans. DBEDT supports incorporating bicycle facilities as part of the transportation system components, and as part of a holistic approach to transportation planning. Last year, DBEDT convened transportation stakeholders in a series of meetings culminating in the Hawaii Clean Energy Initiative (HCEI) Transportation Energy Analysis (HTEA) report. The substance of HB2086, HD2, SD1 is a recommended strategy identified in

the HTEA report to reduce the use of petroleum in Hawaii's ground transportation sector. Additionally, the HTEA report highlighted the importance of gathering key data as well as coordination between key stakeholders such as the DOT and County transportation agencies.

DBEDT respectfully defers to the DOT with regards to implementation hurdles and budgetary needs. Thank you for the opportunity to provide these comments regarding House Bill 2086, HD2, SD2 (Proposed).



**Testimony to the Senate Committee on Ways & Means  
Tuesday, April 5, 2016 at 8:55 A.M.  
Conference Room 211, State Capitol**

**RE: HOUSE BILL 2086 HD1 SD2 (PROPOSED) RELATING TO  
TRANSPORTATION**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports the intent** of HB 2086 HD1 SD2, which provides for an appropriation from the general funds into the state highway fund as a subsidy. Requires governor to provide a plan to sustain the state highway fund.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Infrastructure is a critical issue for both business and residents. Many studies show Hawaii's infrastructure needs repair. We support the effort to invest in Hawaii's infrastructure needs. Thank you for the opportunity to provide testimony.



AMERICAN COUNCIL OF ENGINEERING COMPANIES  
of Hawaii

**President**

Robin M. Lim, P.E.  
Geolabs, Inc.  
Ph: (808) 841-5064

**President-Elect**

Corey M. Matsuoka, P.E.  
SSFM International  
Ph: (808) 531-1308

**Treasurer**

Jeffrey K. Kalani, P.E.  
Yogi Kwong Engineers, LLC  
Ph: (808) 942-0001

**Secretary**

Sean Sugai, P.E.  
Ronald N.S. Ho & Assoc.  
Ph: (808) 941-0577

**Past President**

William H.Q. Bow, P.E.  
Bow Engineering & Development, Inc.  
Ph: (808) 941-8853

**National Director**

Sheryl E. Nojima, P.E., PhD  
Gray, Hong, Nojima & Assoc.  
Ph: (808) 521-0306

**Directors**

Garret Masuda, P.E.  
InSynergy Engineering  
Ph: (808) 521-3773

Ken Kawahara, P.E.  
Akinaka & Assoc.  
Ph: (808) 836-1900

Liana Choy, P.E.  
Sato & Assoc.  
Ph: (808) 955-4441

Ginny M. Wright  
Executive Director  
P.O. Box 88840  
Honolulu, HI 96830  
Ph: (808) 741-4772  
Email: [gwright@acechawaii.org](mailto:gwright@acechawaii.org)  
Website: [www.acechawaii.org](http://www.acechawaii.org)

April 4, 2016

**Senate Committee on Ways and Means**

**Hearing Date: Tuesday, April 5, 8:55 a.m., Conference Room 211**

Honorable Chair Jill N. Tokuda, Vice Chair Donovan M. Dela Cruz, and Members of the Committee on Ways and Means

Subject: **HB 2086, HD2, SD1, Relating to the Transportation Testimony in SUPPORT**

Dear Chair Tokuda, Vice Chair Dela Cruz, and Committee Members:

The American Council of Engineering Companies of Hawaii (ACECH) represents more than 70 member engineering consulting firms with over 1,500 employees throughout Hawaii. ACEC nationally is a strong supporter of long-term transportation infrastructure investment as a driver of our economy. A modern and efficient transportation system is critical for protecting public health and safety, promoting commerce, and providing mobility. It allows our local businesses to get their products to market and our workers to get to their jobs.

National studies tracked by ACEC have shown:

- *Transportation infrastructure forms the basis of economic growth.* Every dollar invested in highway and transit development generates between \$4 to \$8 in economic output.
- *Continued under-investment hampers the economy,* as congestion and other transportation inefficiencies negatively impact businesses.
- *The public supports infrastructure investment as a core government responsibility.* Public polling and numerous recent funding initiatives in mainland states show that voters are willing to support user fee increases when additional revenues are dedicated to repair or replace aging infrastructure.

Consistent with our national organization's strong commitment to stable transportation funding, ACECH supports HB 2086 regarding increasing our state's transportation funding. We appreciate the opportunity to provide testimony on this matter. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,

AMERICAN COUNCIL OF ENGINEERING COMPANIES OF HAWAII

Robin M. Lim, P.E.  
President

# **BIA-HAWAII**

**BUILDING INDUSTRY ASSOCIATION**

THE VOICE OF THE CONSTRUCTION INDUSTRY

## 2016 OFFICERS

PRESIDENT  
CRAIG WASHOFSKY  
SERVCO HOME & APPLIANCE  
DISTRIBUTION

PRESIDENT-ELECT  
EVAN FUJIMOTO  
GRAHAM BUILDERS, INC.

VICE PRESIDENT  
DEAN UCHIDA  
SSFM INTERNATIONAL, INC.

TREASURER  
MICHAEL WATANABE  
JW, INC.

SECRETARY  
PETER ELDRIDGE  
RAYNOR OVERHEAD DOORS &  
GATES, INC.

SPECIAL APPOINTEE-BUILDER  
PAUL D. SILEN  
HAWAIIAN DREDGING  
CONSTRUCTION CO, INC

SPECIAL APPOINTEE-BUILDER  
MARK KENNEDY  
HASEKO CONSTRUCTION  
MANAGEMENT GROUP, INC.

SPECIAL APPOINTEE-ASSOCIATE  
GARY T. OKIMOTO  
HONOLULU WOOD TREATING, LLC

IMMEDIATE PAST PRESIDENT  
RICHARD HOBSON, JR.  
GENTRY HOMES, LTD.

CHIEF EXECUTIVE OFFICER  
GLADYS MARRONE  
BIA-HAWAII

## 2016 DIRECTORS

ANTHONY BORGE  
RMA SALES

BEAU NOBMANN  
HPM BUILDING SUPPLY

DOUGLAS E. PEARSON  
CASTLE & COOKE HOMES  
HAWAII, INC.

CHRIS CHEUNG  
CC ENGINEERING &  
CONSTRUCTION, INC.

CLIFTON CRAWFORD  
C&J CONTRACTING, INC.

CURT KIRIU  
CK INDEPENDENT LIVING BUILDERS

DWIGHT MITSUNAGA  
DM PACIFIC, INC.

JACKSON PARKER  
D.R. HORTON, SCHULER DIVISION

JENNIFER ANDREWS  
COLDWELL BANKER PACIFIC  
PROPERTIES

MARK HERTEL  
INTER-ISLAND SOLAR SUPPLY,  
OAHU-MAUI-HAWAII-KAUAI

MARSHALL HICKOX  
HOMEWORKS CONSTRUCTION, INC.

SARAH LOVE  
BAYS LUNG ROSE & HOLMA

MAILING  
P.O. BOX 970967  
WAIPAHU, HAWAII  
96797-0967

STREET  
94-487 AKOKI STREET,  
WAIPAHU, HAWAII 96797

P 808.847.4666  
F 808.440.1198  
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

## Testimony to the Senate Committee on Ways and Means Tuesday, April 5, 2016 8:55 a.m. State Capitol - Conference Room 211

### **RE: H.B. 2086 H.D 1 S.D. 2: Relating to Transportation.**

Dear Chair Tokuda, Vice-Chair Dela Cruz, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA Hawaii **supports the intent** of H.B. 2086, H.D. 1, S.D. 2, which provides for an appropriation from the general funds into the state highway fund as a subsidy. Requires governor to provide a plan to sustain the state highway fund.

As the bill states: "The purpose of this Act is to provide an infusion of state general funds into the state highway fund while plans and immediate actions are taken to restore the state highway fund to solvency. The legislature very reluctantly makes this deposit. Subsidizing the state highway fund with state general funds is a drastic initiative contrary to recent past practices and sound budgetary policy. The legislature finds that the consequence of failing to provide the subsidy, however, would be more drastic: the decline of the condition and capacity of state highways, thus diminishing the general welfare and jeopardizing public safety."

It is unfortunate that sometimes, things must reach a "crisis" before any action is taken. The inability of an agency to plan and be pro-active in providing for the transportation needs of our state is unfortunate. While we understand the need to keep the State Highway fund solvent, it is unacceptable to continue providing funding to this agency without some accountability. The legislature should find ways to hold agencies accountable for their actions or inactions.

Thank you for the opportunity to express our views on this matter.



April 5, 2016

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE  
ON HB 2086 HD2 SD 1 PROPOSED SD2 RELATING TO TRANSPORTATION**

Thank you Chair Tokuda and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 350 transportation related members throughout the state of Hawaii.

We concur that the department needs funds to perform their function, therefore support this Proposed SD2.

We can see there are critical roads, tunnels, and bridge repairs throughout the state that greatly impact communities and need to be addressed.

Our transportation infrastructure is key to our standard of living in Hawaii and key to the commercial transportation industry's ability to maintain that standard of living for everyone. Our timely deliveries provide Hawaii's citizens with everything they consume, and we accomplish this by having a safe and maintained infrastructure.

So you see it is not only the motorists or the commercial transportation industry that are affected by these roads, tunnels, and bridges. Being that entire communities are dependent on transportation we believe it is reasonable to utilize general funds to ensure our infrastructure can be relied upon to continue supplying those communities.

Transportation alone cannot always sustain the entire budget. In addition to "normal" business taxes our industry also pays various fees specific to our industry operations:

- Federal heavy vehicle use tax;
- Federal excise tax on trucks, tractors, and trailers;
- State registration, fuel, and weight taxes;
- State PUC fees;
- State Airport fees (permittee; gross receipts; vehicle registration; merchandise delivery);
- State Harbor fees;
- State Tour Vehicle Surcharge;
- National Parks fee;
- County Loading Zone permits; and
- County fuel taxes and weight taxes.

Thank you.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [mendezj@hawaii.edu](mailto:mendezj@hawaii.edu)  
**Subject:** \*Submitted testimony for HB2086 on Apr 5, 2016 08:55AM\*  
**Date:** Monday, April 04, 2016 4:36:47 PM

---

**HB2086**

Submitted on: 4/4/2016

Testimony for WAM on Apr 5, 2016 08:55AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [tabraham08@gmail.com](mailto:tabraham08@gmail.com)  
**Subject:** \*Submitted testimony for HB2086 on Apr 5, 2016 08:55AM\*  
**Date:** Monday, April 04, 2016 8:12:16 PM

---

**HB2086**

Submitted on: 4/4/2016

Testimony for WAM on Apr 5, 2016 08:55AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, 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.

Do not reply to this email. This inbox is not monitored. For assistance please email [webmaster@capitol.hawaii.gov](mailto:webmaster@capitol.hawaii.gov)