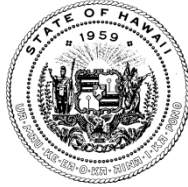


DAVID Y. IGE  
GOVERNOR



**Testimony by:**  
FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWN H. SNIFFEN  
DARRELL YOUNG

IN REPLY REFER TO:

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

February 17, 2016  
10:00 A.M.  
State Capitol, Room 309

**H.B. 2490, H.D. 1**  
**RELATING TO VETERANS**

**LATE**

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House Committee on Transportation

The Department of Transportation (DOT) provides **comments** on this bill. Although DOT appreciates veterans and respectfully recognizes their sacrifices for duty, honor and country, the DOT is concerned that any decreases in fees and taxes will have a current and future negative impact in the department's ability to maintain and construct the State highway system.

This bill provides for added exemptions for veterans with 100% disability rating for taxes imposed under Chapter 249.

Thank you for the opportunity to provide testimony.

lopresti2 - Jasmine

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From: mailinglist@capitol.hawaii.gov  
Sent: Monday, February 15, 2016 11:22 PM  
To: TRNtestimony  
Cc: hawaiiifishingfanatic@gmail.com  
Subject: \*Submitted testimony for HB2490 on Feb 17, 2016 10:00AM\*

**HB2490**

Submitted on: 2/15/2016

Testimony for TRN on Feb 17, 2016 10:00AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Don Aweau	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.

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lopresti2 - Jasmine

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From: mailinglist@capitol.hawaii.gov  
Sent: Saturday, February 13, 2016 1:28 AM  
To: TRNtestimony  
Cc: NuWayveUnl@gmail.com  
Subject: \*Submitted testimony for HB2490 on Feb 17, 2016 10:00AM\*

**HB2490**

Submitted on: 2/13/2016

Testimony for TRN on Feb 17, 2016 10:00AM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
James Trice	NuWayve Unlimited	Support	Yes

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.

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# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

**SUBJECT:** MOTOR VEHICLE, Exempt Disabled Veterans from Motor Vehicle Taxes

**BILL NUMBER:** HB 2490 HD 1

**INTRODUCED BY:** House Committee on Veterans, Military, & International Affairs

**EXECUTIVE SUMMARY:** Disabled veterans by this bill are excused from paying all vehicle registration fees and weight taxes. However, there is no showing that veterans are unfairly singled out by the tax or otherwise face undue hardship, so why should the rest of us be required to pay for repairs, maintenance, and similar charges on roads they use?

**BRIEF SUMMARY:** Amends HRS section 249-31.5, which now exempts disabled veterans from payment of annual vehicle registration fees. Under the amendment, disabled veterans can qualify without needing to receive disability retirement pay from a branch of the armed services, and the exemption would extend to all tax imposed under chapter 249.

**EFFECTIVE DATE:** July 1, 2016.

**STAFF COMMENTS:** Act 128, SLH 2015, provides that disabled veterans (except those dishonorably discharged) shall be exempt from the state motor vehicle registration fee provided the exemption shall not apply to commercial vehicles and be applicable to only one motor vehicle for vehicles registered or renewed after 1/1/16. To accomplish this, Act 128 added a new section to HRS chapter 249, and that section is proposed to be amended by this bill.

The present bill seeks to expand on the benefits offered to disabled veterans.

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. It should be remembered that all motorists use the state highways and should, therefore, lend a hand in paying for good and safe roads. Note well, that any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay. 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.

Exemptions based solely on physical condition or age represent 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. Given that this proposal has been continually introduced, it is hard to imagine that lawmakers have not asked the question as to why they believe that a disabled veteran is financially incapable of paying his or her fair share to maintain the state's highways.

Digested 2/12/16

STATE OF HAWAII  
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 2490 HD1, RELATING TO VETERANS

PRESENTATION TO THE  
COMMITTEE ON TRANSPORTATION

BY

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

February 17, 2016

**LATE**

**LATE**

Good morning, Chair Aquino, Vice Chair LoPresti, and members of the Committee:

I'm Ron Han, Director of the State Office of Veterans Services. I appreciate this opportunity to provide testimony in support of the concepts in House Bill 2490 HD1.

This measure would exempt certain total and permanently disabled veterans from paying the State motor vehicle registration fee. Veterans who qualify must be a resident of Hawaii and be a 100% disabled veteran as determined by the United States Department of Veteran Affairs and has been discharged other than dishonorably discharged

Service connected 100% disabled Veterans served valiantly in uniform in support of and in sacrifice for our country. The freedoms we enjoy today have been paved by their dedicated and honored service. This is a small token of our appreciation for their heralded duty.

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 Budget.

Thank you for this opportunity to provide testimony on behalf of Hawaii's Veterans and their families.