



HB2490 HD2

Measure Title:	RELATING TO VETERANS.
Report Title:	Veterans; Disabled; Motor Vehicle Registration Fees and Taxes; Exemption (\$)
Description:	Exempts certain disabled veterans from county motor vehicle taxes and the state annual vehicle registration fee. (HB2490 HD2)
Companion:	
Package:	None
Current Referral:	PSM/TRE, WAM
Introducer(s):	ITO, DECOITE, MATSUMOTO, OHNO, ONISHI, TOKIOKA, TSUJI, WARD, WOODSON

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 2490 HD2, RELATING TO VETERANS

PRESENTATION TO THE

COMMITTEE ON TRANSPORTATION AND ENERGY AND COMMITTEE ON PUBLIC
SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

BY

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

March 17, 2016

Good Afternoon, Chair Inouye, Vice Chair Gabbard, Chair Nishihara, Vice Chair Espero and members of the Committees:

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 HD2.

This measure would exempt certain total and permanently disabled veterans from paying all annual motor vehicle registration fees. Veterans who qualify must be a resident of Hawaii, a 100% disabled veteran as determined by the United States Department of Veteran Affairs and received an other than dishonorable discharge.

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.

DAVID Y. IGE
GOVERNOR



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

March 17, 2016
3:00 p.m.
State Capitol, Room 229

H.B. 2490, H.D. 2
RELATING TO VETERANS

Senate Committee(s) on Transportation and Energy &
Public Safety, Intergovernmental, and Military Affairs

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.

Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

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

IN REPLY REFER TO:

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-2

INTRODUCED BY: House Committee on Finance

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, 2030.

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 3/14/16

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HB2490

Submitted on: 3/14/2016

Testimony for PSM/TRE on Mar 17, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Individual	Support	No

Comments: I support this bill.

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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HB2490

Submitted on: 3/14/2016

Testimony for PSM/TRE on Mar 17, 2016 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Kalawai'a Goo	Individual	Support	No

Comments:

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PRESENTATION TO THE
COMMITTEES ON TRANSPORTATION AND ENERGY and
PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS

BY: Carswell J. Ross, Jr. CMSgt. USAF (Ret.)

Date of Hearing: Thursday, March 17,, 2016 @ 3:00 PM

Conference Room 229, State Capitol

Good afternoon Chairs Inouye and Nishihara and Vice Chairs Gabbard and Espero, and members of the Committees on Transportation and Public Safety, Intergovernmental and Military Affairs, for this opportunity to **support HB2490, HD2**. This bill recognizes the sacrifice and dedication endured by veterans who were harmed during their military service. It exempts these veterans from county vehicle taxes and from the state annual vehicle registration fee, without regard to whether the disabled veteran is in receipt of military disability retirement pay. For many of these totally disabled veterans their transportation is the only efficient mode of transportation. This “life-line” to veterans meetings, medical treatments, gathering of friends and family is based upon their ability to travel there. In many cases these totally disabled veterans are unemployable and therefore only receiving funds based upon their military service and or their VA disability. This legislation recognized their sacrifice and is a small price to pay for their dedication and resolve in being American Service Members and survivors.

I thank the committee for allowing me this opportunity to testify in support of this bill.