

STAND. COM. REP. NO.

289

Honolulu, Hawaii

FEB 15 2017

RE: S.B. No. 657

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 657 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY,"

beg leave to report as follows:

The purpose and intent of this measure is to allow rental car companies to collect from customers mandated government fees and amend the formula upon which those fees are assessed.

Your Committees received testimony in support of this measure from Hertz Global, Hilton Hawaii, Avis Budget Group, American Car Rental Association, Hawai'i Lodging & Tourism Association, Enterprise Holdings in Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs, Office of Consumer Protection.

Your Committees find that while the rental car industry is vitally important to Hawaii, rental car customers, who are predominantly tourists, should be made fully aware of all of the mandatory government taxes that are assessed on each rental car. According to testimony, thirty-eight states currently permit rental car companies to fully recover all government fees assessed upon a rental car.

Your Committees have amended this measure by:

2017-1556 SSCR SMA.doc



- (1) Requiring lessors to inform lessees of all vehicle license recovery fees by displaying the fees on their website; printing the fees in the written contract; and if the lessee makes a reservation over the phone or in-person, verbally stating the fees to the lessee;
- (2) Inserting a definition of "vehicle license recovery fee" to mean any charge that seeks to recover the amount of any government assessed vehicle fees paid by a lessor; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 657, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 657, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation
and Energy and Commerce,
Consumer Protection, and
Health,



ROSALYN H. BAKER, Chair

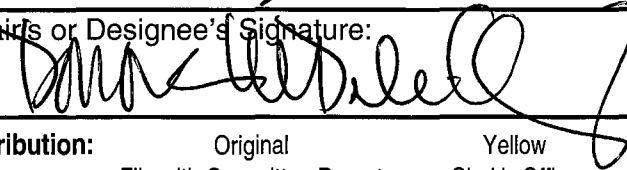


LORRAINE R. INOUE, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Energy
TRE

Bill / Resolution No.:* SB 657	Committee Referral: TRE/CPH, WAM	Date: 2/13/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani				/
HARIMOTO, Breene	/			/
SHIMABUKURO, Maile S.L.	/			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 657	Committee Referral: TRE/CPH, WAM	Date: 2-13-17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
NISHIHARA, Clarence K. (VC)				✓
CHANG, Stanley	✓			
ESPERO, Will	✓			
IHARA, Jr., Les	✓			
KIDANI, Michelle N.	✓			
RUDERMAN, Russell E.				✓
TOTAL	5			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
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