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IN REPLY REFER TO:

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

February 10, 2017
10:00 a.m.
State Capitol, Room 423

H.B. 1570, H.D. 1
RELATING TO ENVIRONMENT.

House Committee on Transportation

The Department of Transportation (DOT) **supports** H.B. 1570, H.D. 1, which requires lessors of rental motor vehicles to include an option to the lessee in the motor vehicle agreement to make a voluntary contribution to the Department of Land and Natural Resources (DLNR) for the preservation and protection of the environment.

The importance of natural resource protection continues to grow as the State braces for the impacts of climate change. Providing the opportunity as an option for persons renting cars in Hawaii to make a voluntary contribution toward the protection of the State's unique environment, which is a critical component of our tourism based economy will alleviate some of the need of additional resources for DLNR, allowing them to carry out their mission effectively.

Thank you for the opportunity to provide testimony.

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
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COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
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KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
TRANSPORTATION

Friday, February 10, 2017
10:00 AM
State Capitol, Conference Room 423

In consideration of
HOUSE BILL 1570, HOUSE DRAFT 1
RELATING TO THE ENVIRONMENT

House Bill 1570, House Draft 1 proposes to require lessors of rental motor vehicles to include an option to the lessee in the motor vehicle arrangement to contribute a sum to the Department of Land and Natural Resources (Department) for the preservation and protection of the environment. **The Department supports this bill to supplement funding for programs that protect Hawaii's world-renown beauty and the natural resources needed to sustain the visitor industry.**

Check-offs are used in 36 states to provide funding for conservation programs.¹ The funds receiving check-offs support a variety of critical natural area protection and land acquisition programs.

The visitor industry clearly relies on natural resources. The Koolau Forest Watershed on Oahu is estimated to provide a net present value of \$1-3 billion for ecotourism alone.² Forests prevent erosion that muddies beaches, coral reefs, and fisheries. Forests also mitigate climate change effects from rental vehicles by absorbing greenhouse gases. Protection sustains the native plants and animals unique to our islands and important to the Hawaiian culture.

¹ Department of Land and Natural Resources. 2001. Annual Report to the Twenty-First Legislature 2001 Regular Session on Act 152 SLH 200 (HB 2835, HD2, SD2, CD1) Relating to Watershed Protection.

² Roumasset, J., J.B. Kaiser, N. Krause, D. Mecham and J. Wooley. 1997. Draft Environmental Valuation and the Hawaiian Economy. University of Hawai'i Economic Research Organization, UH-Mānoa.

The Land Conservation Fund (LCF) supports the Legacy Land Conservation Program (LLCP). The LLCP protects rare and unique cultural, natural, agricultural, and recreational resources from destruction by funding the acquisition of fee title or conservation easements by nonprofits, counties, and state agencies.

The Conservation and Resources Enforcement Special Fund supports the Division of Conservation and Resources Enforcement (DOCARE). DOCARE's objectives are to effectively uphold the laws that serve to protect, conserve and manage Hawaii's unique and limited natural, cultural and historic resources, and to promote the safe and responsible use of Hawaii's natural resources.

Thank you for the opportunity to comment on this measure.



LATE

HB1570 HD1
RELATING TO THE ENVIRONMENT
House Committee on Transportation

February 10, 2017

10:00 a.m.

Room 423

The Office of Hawaiian Affairs (OHA) Beneficiary Advocacy and Empowerment Committee will recommend that the Board of Trustees **SUPPORT** H1B570 HD1, which will allow Hawai'i's visitors to voluntarily contribute towards the maintenance and conservation of our natural and cultural resources.

Numerous studies in Hawai'i and abroad have indicated that visitors to areas of natural beauty and importance are often more than willing to contribute financially to maintaining the environmental quality of these areas. Given the prominence of our natural environment as a tourism driver, these "user fee" studies therefore indicate the existence of a currently untapped revenue source for natural resource protection, i.e. visitors who may be willing to contribute financially to the environment they travel thousands of miles to enjoy.

By allowing visitors to voluntarily contribute to our natural environment at the time of their visit, this measure will allow the state to tap into a substantial potential revenue stream for the protection and conservation of our islands' resources. Given the clear need for greater financial investment in our watersheds, coastlines, and other natural and cultural resources, and given the growing strain placed on these resources by the visitor industry, this measure thus provides much-needed revenues from an appropriate source of funds, without burdening taxpayers or our existing tourism industry. In addition, visitors who contribute funds under this measure will know that they played a part in protecting the natural resources and environmental integrity of our island home.

Therefore, the OHA urges the Committee to **PASS** HB1570 HD1. Mahalo for the opportunity to testify on this measure.

SanHi Government Strategies

a limited liability law partnership

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DATE: February 9, 2017

TO: Representative Henry J.C. Aquino
Chair, Committee on Transportation
Submitted via Capitol Website

RE: **H.B. 1570, H.D. 1 Relating to the Environment**
Hearing Date: Friday, February 10, 2017 at 10:00 a.m.
Conference Room: 423

Dear Chair Aquino and Members of the Committee on Transportation:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, Enterprise CarShare and Enterprise RideShare (Van Pool).

Enterprise **opposes** H.B. 1570, H.D. 1 which requires lessors of rental motor vehicles to include an option to the lessee in the motor vehicle agreement to contribute a sum to the Department of Land and Natural Resources for the preservation and protection of the environment beginning July 1, 2019.

Enterprise already offers a voluntary contribution for research to offset carbon emissions on each contract. The details are available on a website we identify for our renters. We do not feel that it is appropriate for the state to require rental car companies to include the voluntary contribution provided for in H.B.1570, H.D. 1. Rather, this should be left to each individual company. As it is, the state already collects substantial sums of money from rental car customers to be used for state purposes. We do not feel that it is justified to solicit additional contributions from renters, and feel that it will alienate our customers.

Enterprise opposes the amendments made in H.B. 1570, H.D. 1, pushing back the effective date and removing the sunset provisions. For these reasons, we

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respectfully request that the Committee hold this measure. Thank you for the opportunity to submit this testimony.