

Honolulu, Hawaii

**APR 06 2018**

RE: H.B. No. 2601  
H.D. 1  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2601, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the rental motor vehicle surcharge for individuals without a valid Hawaii driver's license and use those revenues for road capacity projects to reduce traffic congestion in the county in which the rental motor vehicle is driven.

This measure also increases tour vehicle surcharges.

Your Committee received written comments in support of this measure from the Mayor of the County of Maui, Maui Metropolitan Planning Organization Policy Board, Maui Metropolitan Planning Organization, and Kihei Community Association.

Your Committee received written comments in opposition to this measure from Avis Budget Group, Enterprise Holdings, and Maui Hotel & Lodging Association.

The Department of the Attorney General, Department of Transportation, Department of Budget and Finance, Department of



Taxation, Tax Foundation of Hawaii, and Maui Chamber of Commerce submitted written comments on this measure.

Your Committee finds that because users of rental motor vehicles contribute to traffic congestion, they should also contribute to projects to increase road capacity, which will help to alleviate traffic congestion and improve the experience of future visitors and the quality of life of residents.

Your Committee has amended this measure by:

- (1) Clarifying that the road capacity projects shall be for state highways and that expenditures of moneys for road capacity projects may include planning, design, and right-of-way acquisition; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2601, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2601, H.D. 1, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



