

STATE OF HAWAII  
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 602, RELATING TO EXEMPTIONS FROM  
REGISTRATION FEES

PRESENTATION TO THE  
COMMITTEE ON FINANCE

BY

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

March 30, 2017  
2:00 p.m.

Good afternoon Chair Luke, Vice Chair Cullen, 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 Senate Bill 602.

This measure would repeal the requirement that a disabled Veteran be in concurrent receipt of disability retirement pay in order to be exempt from the payment of annual vehicle registration fees. However, the Veteran must be a resident of Hawaii and be a 100% disabled Veteran as determined by the United States Department of Veteran Affairs. Additionally, their characterization of discharge must be other than dishonorable. In Hawaii, there are currently 3075 disabled Veterans rated at 100% by the VA.

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.

**LATE**

**SB 602**

**(HSCR1206)**

**RELATING TO EXEMPTIONS FROM REGISTRATION FEES.**

Repeals requirement that a disabled veteran be in receipt of disability retirement pay in order to be exempt from the payment of annual vehicle registration fees.

**I SUPPORT THIS LEGISLATION.....**

I am a military retired veteran who served almost 40 years in the United States military. After military service, Veteran Affairs determined that I was 100% Permanently Disabled due to service-connected disabilities.

I request that all 100% Disabled Military Veterans, in all categories (Medically disabled from active duty, receiving disability retirement pay; and Permanently disabled post-active duty), be exempt from paying annual vehicle registration fees.

Currently, active duty and national guard/reserves receive considerable exemptions even though they make up an extremely large population of potential taxpayers in the state of Hawaii. By comparison, the population of 100% Disabled Veterans is substantially smaller in number and percentage. I understand that active duty do not have a choice for being stationed in Hawaii. However, I was on active military duty for 35 years of my almost 40 years of service. While on active duty the federal government stationed me and my family in many states. Most, if not all, of these states required that I pay some reasonable fees/taxes at rates lower than the normal state taxpaying resident because I was stationed in the state pursuant to military government orders. So, why can there be some moderate fee/tax rate established for active duty and national guard/reserves to offset loss of Hawaii state revenue levied on the few 100% Disabled Veterans in this state. This would generate a great deal more revenue given the much larger active duty and national guard/reserve population. Further, registration fees are assessed to repair and maintain streets, roads and highways.....Given the large population of active duty military and their families (who in most cases also have automobiles), I wonder who is paying for all that lose revenue? In part, it is the small population of veterans like me? Finally, there are also Official vehicles that are exempt as well which I suspect comprise a vehicle population that are much greater than the 100% Disabled Veteran owned vehicles. Official vehicles produce just as much fair-wear-and-tear to our Hawaii street/roads as taxpayer's vehicles. Who is paying for this lose revenue? Again, in part, it is the small population of veterans like me?

As you know, the current law only exempts veterans who are receiving disability retirement pay regardless of how many years of service, which is well deserved.....some have as little as a few months of service who are in this category. While veterans like me who have served almost 40 years of service are receiving no exemption at all. I am treated like any other Hawaii citizen

who have not serviced not even one day of military service to our country. The physically and mentally demanding military lifestyle causes permanent disabilities over many years and are cumulative, and do not always happen in an instant catastrophic event. Permanent disabilities progressively gets worse and have no medical remedy; they are also debilitating, affects quality-of-life, and shortens life expectancy. Nevertheless, even though my cumulative disabilities do not prevent employment. They do restrict me from engaging in certain types of career fields. Unlike my citizen counterpart who has not served, who has no such restrictions and is free to pursue any desired career field.

As previously stated, I served for almost 40 years and was put in harm's way numerous times during peacetime and in two warzones during wartime. At any given time, I could have been killed and all my family would have received is a life insurance payout, which would not have sustained my wife for the rest of her life nor would it have provided enough income to take care of our children until they reach independent adulthood....It would have only sustained them for a few years. Veterans like me have sacrificed much and risked everything at any given period of time while serving our Country.

Economic impact should not be the only criteria for this exemption. The sacrifices in the form of many loss opportunities that cannot be recovered should also come into play. Serving in the military cause veterans, and their Spouses, to forgo much more lucrative career opportunities in the civilian sector that they might have had during the prime of their lives. The Spouses of veterans many times are forced to relinquish pursuit of their professional careers due to the unplanned transient nature of military requirements. Our children also sacrifice given the transient military life of having to be pulled out of school every 1-3 years causing emotional trauma from loss relations which affects their academic performance. Once again, these are sacrifices the advantaged U.S. citizen do not incur. The sacrifices that we (Veterans, Spouse and Children) make allows other Americans to seek out their full potential through infinitely more opportunities. So, the sacrifices that all 100% Disabled Veterans have made, regardless of category, should be worthy of a vehicle registration fee exemption.

Hawaii law allows for a partial tax exemption for homeowners, which is greatly appreciated for the veterans that can afford to buy and own a home here in Hawaii. However, a personal vehicle registration fee exemption, even a partial one, for all 100% Disabled Veterans, regardless of category, would benefit significantly more such veterans.

Sincerely,

Gregory M. Fields  
U.S. Army Retired  
92-108 Kohi Place  
Kapolei, HI 96707-3303  
(808) 772-4675  
[gregory-fields@att.net](mailto:gregory-fields@att.net)