STAND. COM. REP. NO. 1596

Honolulu, Hawaii

MAR 22 , 2019

RE: S.B. No. 162

S.D. 2 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 162, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to amend the amount and the allocation of the rental motor vehicle surcharge tax by:

- (1) Changing the amount of the rental motor vehicle surcharge tax for lessees for each day, or portion of a day, that a rental motor vehicle is rented;
- (2) Repealing the additional surcharge tax of \$2 for each day, or portion of a day, for lessees who do not possess a valid Hawaii driver's license; and
- (3) Depositing portions of the rental motor vehicle surcharge tax into:
 - (A) The State Highway Fund for statewide use; and
 - (B) The respective county subaccount of the State
 Highway Fund for highway road capacity projects in
 the county that generated the surcharge tax.

The Department of the Attorney General, Department of Taxation, Department of Transportation, and an individual supported this measure. Several individuals opposed this measure. The Tax Foundation of Hawaii, Avis Budget, and Enterprise Holdings provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 162, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 162, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROY M. TAKUMI, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature ### 1599

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral: Date:		19		
SB 162, SD2, HDI	TRN, CPC, FIN		3/19/19		
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
CPC Members	Ayes	Ayes (WR)	Nays	Excused	
1. TAKUMI, Roy M. (C)	I		· · · · · · · · · · · · · · · · · · ·		
2. ICHIYAMA, Linda (VC)					
3. AQUINO, Henry J.C.					
4. BELATTI, Della Au				<i>\</i>	
5. CABANILLA ARAKAWA, Rida	à /				
6. CACHOLA, Romy M.		en ede y, yn 1			
T HAD CO					
7. HAR, Sharon E.	✓				
8. KONG, Sam Satoru					
o. KONG, Sam Satoru	✓				
9. MIZUNO, John M.			S. S. Lee S. S. S. Lee S. S. S		
7. WIIZONO, John W.					
10. ONISHI, Richard H.K.					
11. MATSUMOTO, Lauren					
			-		
TOTAL (11)	9	D	0	7	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					