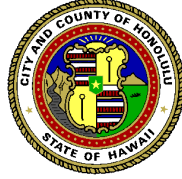


DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

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TESTIMONY TO THE
HOUSE COMMITTEE ON FINANCE (FIN)

FEBRUARY 19, 2020
2:00 PM

**IN SUPPORT OF
HB 1724 HD 1– RELATING TO GIFT CERTIFICATES**

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Department of Transportation Services is in strong support this measure; it is part of the Hawaii Council of Mayors (HCOM) 2020 legislative package.

Like many other large cities, Honolulu has adopted a smart card for public transit passengers to pay for fares on TheBus and Handi-Van. Our HOLO card may be registered and reloaded, eliminates the need to purchase daily and monthly bus passes, may be programmed for discounted users like youth and seniors, and will be the sole form of fare payment on rail. There is great potential in future uses of the HOLO card including the possibility of payment for on-street parking, permits, and registration fees.

This measure seeks to clearly distinguish the HOLO card, and other similar county cards, from gift cards and gift certificates. The existing language in the statute on gift certificates and exceptions thereto may be clarified by adopting affirmative language proposed by HB 1724. Certain requirements of private businesses and retailers regarding gift certificates are not necessarily applicable to county-issued and county-administered cards. Clarification of the exception will support the administration of the smart card program, especially with regard to unspent value and redemption of cash balances.

Thank you for consideration of this measure and for the opportunity to provide this testimony.