

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 604
RELATING TO EXEMPTIONS FROM REGISTRATION FEES

PRESENTATION TO
THE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL & MILITARY AFFAIRS

BY

MAJOR GENERAL ARTHUR J. LOGAN
ADJUTANT GENERAL,
DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY AND
DIRECTOR OF HOMELAND SECURITY

FEBRUARY 12, 2019

Chair Nishihara, Vice Chair Wakai, and members of the Committee on Public Safety, Intergovernmental and Military Affairs.

I am Major General Arthur Logan, Adjutant General, Director of the State Emergency Management Agency and Director of Homeland Security.

The Department of Defense (DOD) provides written testimony in **SUPPORT** of SB 604.

This measure would repeal the requirement that disabled veterans be in receipt of “disability retirement pay” to be exempt from paying the annual vehicle registration fees. If this measure is adopted, Veterans who qualify must be a resident of Hawaii, a 100% disabled veteran as determined by the United States Department of Veteran Affairs (VA) and received at least an “other than dishonorable discharge”.

Our service connected 100% disabled Veterans have served selflessly in support and in defense of our country. The freedoms we enjoy today have been paved by their dedicated and honored service. This is a small measure of appreciation for their service.

There are currently 3790 VA rated 100% disabled Veterans that reflect Hawaii as their home or residence, but currently only a portion of them qualify due to the existing language of not only being 100% disabled, but also receiving “disability retirement pay.”

We defer to the agency with direct responsibility for implementation.

The DOD supports the 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.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Exempt Disabled Veterans from Motor Vehicle Taxes

BILL NUMBER: SB 604

INTRODUCED BY: NISHIHARA, INOUYE, Baker, S. Chang, Harimoto, Kidani, Wakai

EXECUTIVE SUMMARY: Disabled veterans by this bill are excused from paying all vehicle registration fees and weight taxes. However, there is no showing that veterans are unfairly singled out by the tax or otherwise face undue hardship, so why should the rest of us be required to pay for repairs, maintenance, and similar charges on roads they use?

SYNOPSIS: Amends HRS section 249-31.5, which now exempts disabled veterans from payment of annual vehicle registration fees. Under the amendment, disabled veterans can qualify without needing to receive disability retirement pay from a branch of the armed services.

EFFECTIVE DATE: July 1, 2019.

STAFF COMMENTS: Act 128, SLH 2015, provides that disabled veterans (except those dishonorably discharged) shall be exempt from the state motor vehicle registration fee provided the exemption shall not apply to commercial vehicles and be applicable to only one motor vehicle for vehicles registered or renewed after 1/1/16. To accomplish this, Act 128 added a new section to HRS chapter 249, and that section is proposed to be amended by this bill.

The present bill seeks to expand on the benefits offered to disabled veterans.

The motor vehicle weight tax and registration fees are user charges designed to recover the cost of construction and maintenance of Hawaii's highway system. It should be remembered that all motorists use the state highways and should, therefore, lend a hand in paying for good and safe roads. Note well, that any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay. Motorists who will have to pick up the additional costs created by this proposed exemption should hold those who would propose such an exemption responsible for raising their taxes.

Exemptions based solely on physical condition or age represent poor tax policy. So, while the exemption would provide relief to a disabled veteran, a single mom making minimum wage, barely making ends meet, must continue to pay these fees. Given that this proposal has been continually introduced, it is hard to imagine that lawmakers have not asked the question as to why they believe that a disabled veteran is financially incapable of paying his or her fair share to maintain the state's highways.

Digested 2/10/2019

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REGISTRATION FEES

PRESENTATION TO THE
COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL & MILITARY AFFAIRS

BY

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

February 12, 2019
2:00 p.m.

Good afternoon, Chair Nishihara, Vice Chair Wakai, and members of the Committee:

I'm Ron Han, Director of the State Office of Veterans Services (OVS). I appreciate this opportunity to provide testimony **in support** of the concepts in Senate Bill 604.

This measure would repeal the requirement that disabled veterans be in receipt of disability retirement pay in order to be exempt from paying the annual vehicle registration fees. Veterans who qualify, if this measure is adopted, must be a resident of Hawaii, a 100% disabled veteran as determined by the United States Department of Veteran Affairs (VA) and received an "other than dishonorable discharge".

Service connected 100% disabled Veterans served valiantly in uniform in support and in defense of 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. There are currently 3790 VA rated 100% disabled Veterans that reflect Hawaii as their home or residence.

We defer to the agency with direct responsibility for implementation.

The OVS supports the 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.

Ron Han; ronald.han@va.gov; 808-433-0422

SB-604

Submitted on: 2/9/2019 5:07:28 AM

Testimony for PSM on 2/12/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Robert Quartero	Individual	Support	Yes

Comments:

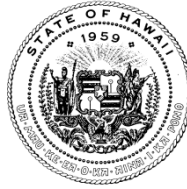
Aloha Kakou,

I support SB604 because this act redresses socioeconomic disability for the impaired. As a retired resident of the Hawaii islands and being disabled and on a fixed income, I have suffered to a severe loss of society and imprisoned simply for the act of preserving travelling privileges despite being unable to financially afford Hawaii State vehicle registration practices. I suffer long-term physical, mental, intellectual and/or sensory impairments which, in interaction with various barriers, hinders my full and effective participation in society on an equal basis with others. Thank you for your support.

Regards,

Robert Quartero

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

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

February 12, 2019
2:00 p.m.
State Capitol, Room 229

S.B. 604
RELATING TO EXEMPTIONS FROM REGISTRATION FEES.

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

The Department of Transportation (DOT) **supports** this bill.

The DOT generally does not support exemptions as reductions in revenue are detrimental to the health of the State Highway Fund. However, the DOT recognizes this bill provides annual vehicle registration fee exemption to a bigger population of disabled veterans.

Thank you for the opportunity to provide testimony.