

STAND. COM. REP. NO.

627

Honolulu, Hawaii

FEB 19 , 2021

RE: H.B. No. 485

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 485, 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 of the rental motor vehicle surcharge tax from \$5 to an unspecified amount.

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received testimony in opposition to this measure from the Avis Budget Group and Enterprise Holdings. Your Committee received comments on this measure from the Department of Taxation, Mayor of the County of Maui, and Tax Foundation of Hawaii.

Your Committee finds that traffic congestion is a serious problem that negatively affects the quality of life for residents and visitors of the State. Your Committee further finds that the increased presence of rental motor vehicles exacerbates traffic congestion in the State and contributes to the degradation of state roadways. Your Committee believes that as the number of rental motor vehicles continue to grow, there must be an equal financial increase to offset the damage done to the State's roads. This measure will provide safer infrastructure enhancements for

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all users of the State's roads by amending the amount of the rental motor vehicle surcharge.

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 H.B. No. 485, H.D. 1, and recommends that it be referred to your Committee on Finance.

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



AARON LING JOHANSON, Chair



