

STAND. COM. REP. NO. **487**-22

Honolulu, Hawaii

FEB 17 , 2022

RE: H.B. No. 1688
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1688 entitled:

"A BILL FOR AN ACT RELATING TO REGISTRATION OF VEHICLES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Subject U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles; and
- (2) Authorize the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

Your Committee received testimony in support of this measure from the Mayor of the County of Kaua'i, County of Kaua'i Department of Finance, one member of the Maui County Council, Hawai'i State Association of Counties, Enterprise Holdings, and Hertz. Your Committee received comments on this measure from the Tax Foundation of Hawaii and Maui Chamber of Commerce.

Your Committee finds that under existing law, counties are authorized to establish by ordinance and annually collect an additional fee for certificates of registration for motor vehicles. These additional fees are to be used for highway

2022-1453 HB1688 HD1 HSCR HMSO



beautification and the disposition of abandoned and derelict vehicles.

Your Committee further finds that U-drive motor vehicles have at least the same impact as other types of motor vehicles on the highways and on highway congestion. However, at \$1, the additional fee for vehicle registrations for U-drive motor vehicles is half that authorized for other motor vehicles. Your Committee believes it is appropriate to authorize counties to charge the same added fee to all motor vehicles to help to offset growing concerns in the State over tourism-related traffic congestion. This measure will remove the discrepancy in the fees charged to U-drive motor vehicles and all other motor vehicles and authorize counties to also use the monies collected to mitigate the impacts of tourism-related traffic congestion.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to encourage further discussion.

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. 1688, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1688, H.D. 1.

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



AARON LING JOHANSON, Chair



