

STAND. COM. REP. NO.

606

Honolulu, Hawaii

FEB 19 , 2021

RE: H.B. No. 290
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 Corrections, Military, & Veterans, to which was referred H.B. No. 290 entitled:

"A BILL FOR AN ACT RELATING TO VEHICLE WEIGHT TAXES,"

begs leave to report as follows:

The purpose of this measure is to repeal the military exemption for vehicle weight taxes.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual. Your Committee received testimony in opposition to this measure from the Department of Defense.

Your Committee finds that the exemption provides an important benefit for the National Guard, military reserves, and military personnel claiming Hawaii as their residence. However, all users of the state highway system should contribute to its upkeep, and in 2019 alone, the exemption resulted in a reduction in state highway fund revenues of approximately \$478,000. Your Committee further finds that retaining the military exemption for the vehicle weight tax for another ten years strikes an appropriate balance.

Accordingly, your Committee has amended this measure by:

2021-1565 HB290 HD1 HSCR HMSO



- (1) Providing that the exemption shall be repealed on June 30, 2031; and
- (2) Changing the effective date to July 1, 3050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Corrections, Military, & Veterans that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 290, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 290, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Corrections,
Military, & Veterans,



TAKASHI OHNO, Chair



