

STAND. COM. REP. NO. 906

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 23
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Ways and Means, to which was referred S.B. No. 23, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE RENTAL INDUSTRY,"

beg leave to report as follows:

The purpose and intent of this measure is to repeal vehicle license recovery fees.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committees received testimony in opposition to this measure from Avis Budget Group and Enterprise Holdings.

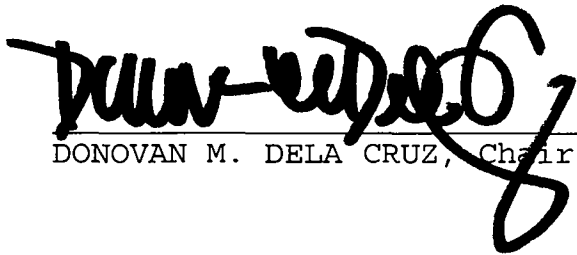
Your Committees find that, prior to Act 137, Session Laws of Hawaii 2017 (Act 137), the car rental industry was not allowed to pass on one-time fees, such as use taxes on vehicle importation and license plate fees. Instead, they were only allowed to visibly pass on recurring costs, such as general excise taxes, license and registration fees, surcharge taxes, and rents and fees payable to the Department of Transportation. Act 137, however, added first-time fees to the litany of other fees that car rental companies were authorized to visibly pass on to customers and changed the method of calculating the pass-on costs, resulting in some customers being charged more than their fair share of the taxes and fees. This measure repeals the authority of car rental



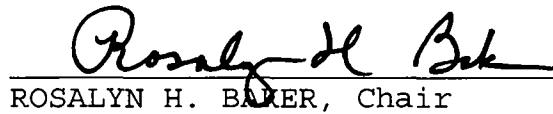
companies to pass on vehicle license recovery fees to customers and adjusts the calculation methods of fees passed on to customers to be more fairly and directly attributable to their use of the vehicle on a particular day.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 23, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committees on Commerce and Consumer Protection and Ways and Means,



DONOVAN M. DELA CRUZ, Chair




ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

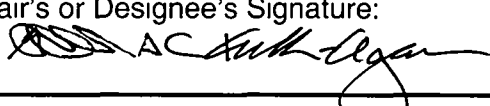
Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:
SB 23 SD1	TRS, CPN / WAM	03 / 04 / 2021
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
	Nay	Excused
BAKER, Rosalyn H. (C)	/	
CHANG, Stanley (VC)	/	
MISALUCHA, Bennette E.	/	
NISHIHARA, Clarence K.	/	
RIVIERE, Gil	/	
SAN BUENAVENTURA, Joy A.	/	
FEVELLA, Kurt	/	
TOTAL	7	- - -
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original	Yellow	Pink
File with Committee Report	Clerk's Office	Drafting Agency
		Goldenrod
		Committee File Copy

*Only one measure per Record of Votes

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 23, SD 1	TRS, CPN/WAM	3/4/21		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.			X	
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	10		1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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