

DEPARTMENT OF FINANCE

REIKO MATSUYAMA, DIRECTOR

MICHELLE L. LIZAMA, DEPUTY DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of Reiko Matsuyama
Director of Finance, County of Kaua'i

Before the
Committee on Transportation
February 2, 2022 at 10:30 am
423 Via Videoconference

In consideration of
House Bill 1688
Relating to the Registration of Vehicles

Honorable Chair Aquino, Vice Chair Ilagan, and Members of the Committee:

The Finance Department of the County of Kaua'i **strongly supports** HB 1688, which allows the director of finance of a county to charge u-drive vehicles the same beautification fee as any regular citizen would pay. Currently the County of Kaua'i charges \$1 for u-drive vehicles and \$5 for all others. We use this money to defray the costs of abandoned and derelict vehicles left for county disposal.

The abandoned and derelict vehicle problem is impacting the quality of life for our residents, impacts our environment, and is an eye-sore that detracts from our visitor experience. Mayor Kawakami put together an abandoned vehicle task force which made progress in identifying process issues. While we are making progress on addressing some of those issues, this increased fee would help to pay for the clean-up initiatives.

It is for these reasons, that we **strongly support** HB 1688. Thank you for your consideration of this testimony.

OFFICE OF THE MAYOR

DEREK S.K. KAWAKAMI, MAYOR

MICHAEL A. DAHLIG, MANAGING DIRECTOR



Testimony of
Derek S.K Kawakami
Mayor, County of Kaua'i

Before the
House Committee on Transportation
February 2, 2021 at 10:30 a.m.
Room 423 and Via Videoconference

In consideration of
House Bill 1688
Relating to the Registration of Vehicles

Honorable Chair Aquino, Vice Chair Ilagan, and Members of the Committee:

The County of Kaua'i and I are in **strong support of HB 1688** which subjects U-drove motor vehicles to the same motor vehicle registration fees as other motor vehicles, and authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

Over the years our islands have continued to be impacted by the increase of abandoned and derelict vehicles left littering the sides of our roads and on vacant properties. To address this issue on Kaua'i, we initiated a county Abandoned Car Task Force with representatives from our finance department, solid waste division, police department, county council, and the private sector. One of our challenges, of course, is funding the removal and disposal of these vehicles.

Registration fees that are equitable for all motor vehicles will certainly assist our effort in managing this challenge and keeping our Kaua'i as the Garden Island.

Mahalo for accepting my testimony in **strong support** of HB1688.

OFFICE OF THE MAYOR

DEREK S.K. KAWAKAMI, MAYOR

MICHAEL A. DAHLIG, MANAGING DIRECTOR



Testimony of

Michael A. Dahilig

Managing Director, County of Kaua'i

Before the

House Committee on Transportation

February 2, 2021 at 10:30 a.m.

Room 423 and Via Videoconference

In consideration of

HB 1688

Relating to the Registration of Vehicles

Honorable Chair Aquino, Vice Chair Ilagan, and Members of the Committee:

The County of Kaua'i is in **strong support** of HB 1688 which subjects U-drove motor vehicles to the same motor vehicle registration fees as other motor vehicles, and authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

As all motor vehicles impact our environment while assisting us in our daily lives, it is important that all registration fees contribute equally to fund the highway beautification, abandoned vehicle, and tourism-related traffic congestion revolving fund. The County of Kaua'i Abandoned Car Task Force seeks to address the blight of derelict and abandoned vehicles that are left strewn across our island when the life of the car ends.

We appreciate the Legislature's efforts in addressing this issue affecting all our islands and working to improve the quality of life for our residents and the experiences of our visitors.

Thank you for the opportunity to testify in **strong support** of HB1688.

Michael P. Victorino
Mayor

Sananda K. Baz
Acting Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
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Committee on Transportation
Rep. Henry J.C. Aquino, Chair
Rep. Greggor Ilagan, Vice Chair

Testimony of Michael P. Victorino, Mayor Maui County
on

H.B.1688

Relating to Registration of Vehicles; Counties; Registration Fees; U-drive Motor Vehicles;
Tourism; Traffic Congestion

10:30 A.M.

VIA VIDEOCONFERENCE

ROOM 423

State Capitol

415 South Beretania Street

Thank you for this opportunity to provide testimony in support of H.B. 1688, Relating to Registration of Vehicles. My testimony is submitted in my capacity as Mayor of the County of Maui.

This legislation subjects U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles. Bill 1688 authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion. Notwithstanding any other law to the contrary, an additional fee of not more than \$2 for each certificate of registration for all motor vehicles may be established by ordinance and collected annually by the director of finance of each county, to be used and administered by each county; for the purpose of beautification and other related activities of highways under the ownership, control, and jurisdiction of each county. Currently, the fee is one dollar (\$1.00) for U-drive motor vehicles. This fee is inequitable because the use of highways and roads by U-drive vehicles is as intense, if not more intense, than other motor vehicles on our highways and roads. Changing the fee would be a more equitable application of the fee.

I urge your support for H. B. No. 1688

Submitted by:

Michael P. Victorino, Mayor, Maui County

Contact: 808-270-7855



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 1, 2022

TO: Representative Henry Aquino
Chair, Committee on Transportation

FROM: Mihoko Ito

RE: **H.B. 1688, Relating to Registration of Vehicles**
Hearing Date: Wednesday, February 2, 2022 at 10:30 a.m.
Conference Room: 423

Dear Chair Aquino, Vice Chair Ilagan, and members of the House Committee on Transportation:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise **supports** H.B. 1688, which subjects U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles, and authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

The rental car industry has been engaged in discussions with some of the counties to partner together to address the impacts of tourism related traffic congestion. As part of these discussions, this measure emerged as a concept having support from all stakeholders.

The current registration fee for U-drive motor vehicles, or rental motor vehicles, is less than all other motor vehicles. Raising the current county certificate of registration fee to \$2 for all vehicles would create parity between U-drive vehicles and all other motor vehicles and allows for a more equitable application of the fee.

In addition, allowing counties to the use of the fee to address the impacts of tourism congestion will help to provide funding for the counties will provide the counties with flexibility to use the fee to support county traffic programs and infrastructure.

For the above reasons, we support H.B. 1688 and respectfully request that the Committee pass the bill in its current form.

Thank you for the opportunity to submit testimony on this bill.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: Motor Vehicle Registration; Counties; Registration Fees; U-drive Motor Vehicles; Tourism; Traffic Congestion

BILL NUMBER: HB 1688, SB 2572

INTRODUCED BY: HB by AQUINO, HASHIMOTO, ILAGAN, LOPRESTI, NAKAMURA; SB by WAKAI, BAKER, CHANG, LEE, MISALUCHA, RHOADS, Ihara, Keith-Agaran, Riviere, San Buenaventura, Shimabukuro

EXECUTIVE SUMMARY: Subjects U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles. Authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

SYNOPSIS: Amends section 286-51, HRS, to raise the beautification fee for U-drive vehicle registrations from \$1 to \$2, which is the rate generally applicable to vehicles. Deletes the proviso that a county's power to increase the beautification fee by ordinance will not apply to U-drive vehicles, so that the county ordinance may apply to all vehicles.

Allows beautification fees to be used to mitigate and address the impacts of tourism-related traffic congestion.

EFFECTIVE DATE: Upon Approval

STAFF COMMENTS: The special reduced beautification fee for U-drive vehicles was enacted by Act 274, SLH 1999, which raised the beautification fee from \$1 to \$2 and gave the counties the power to raise it further, but froze the beautification fee for U-drive vehicles at \$1. This bill reverses the preferential treatment of U-drive vehicles.

Digested: 1/31/2022

LATE

Hertz

Jim East
Vice President
Jim.east@hertz.com

February 2, 2022

Rep. Henry J.C. Aquino, Chair
Rep. Greggor Ilagan, Vice Chair
House Committee on Transportation

DATE: Wednesday, February 2, 2022, 10:30 A.M.

RE: HB1688 RELATING TO REGISTRATION OF VEHICLES

Chair Aquino and members of the Committee on Transportation:

My name is Jim East, and I am the Vice President of Government Relations for Hertz. Hertz supports HB1688 which subjects U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles, and authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion.

Over the past several months, Hertz has been in discussion with several counties and recognize that visitor destination management is a critical concern for their residents. Recognizing that the visitor industry plays an essential part of the State's economy, it is also important to address the impacts on infrastructure, traffic, and the environment. Expanding the use of vehicle registration fees to include the impacts of tourism-related traffic congestion is an appropriate and needed use.

Hertz supports HB1688. Thank you for the opportunity to testify on this matter.

Sincerely,

/S/

JIM EAST
Vice President, Government Relations
The Hertz Corporation