



**U.S. INDO-PACIFIC COMMAND
(USINDOPACOM)
CAMP H M SMITH, HAWAII 96861-4028**

February 6, 2023

Aloha Chair Lee, Vice Chair Inouye, and members of the Senate Committee on Transportation and Culture and the Arts,

I am Fleet Master Chief David Isom, Senior Enlisted Leader for the U.S. Indo-Pacific Command. Of the over 40,000 active duty personnel stationed in Hawaii, the vast proportion of them are enlisted personnel who represent our "rank and file", i.e., our lowest paid members. As their advocate, I am providing testimony to inform debate on Senate Bill 1046, which would remove the vehicle weight tax exemption for active duty and reserve military personnel due to the adverse impact it will have on our lowest earning members.

Under existing state law, active duty military, reservists, and National Guard members who claim legal residency in the state of Hawaii and who are stationed here may exempt one privately owned vehicle from the state and county weight tax. This one-vehicle exemption mirrors the U.S. Government approach, which only authorizes one vehicle to be shipped to Hawaii as the result of permanent change of station orders, regardless of the size of the family. This typically means that our active duty military families are shipping a larger vehicle.

The proposed language in SB 1046 would remove the one-car tax exemption for active duty and reserve residents of Hawaii but keeps it for National Guard members. This negatively impacts our most junior service members, a surprising percentage of whom, if they are married or single with children, qualify for public assistance. Given the U.S. Government limit to ship one vehicle and the propensity to bring the larger family van or SUV, our active duty families would then be exposed to the higher gross weight tax. Further, within INDOPACOM, we try to instill a "one-team" mentality with our active, reserve and National Guard force. By treating one element of the team differently, this policy could drive a wedge that erodes total force cohesion.

We are grateful for the benefits we do receive. We also recognize many across the state face economic challenges and this true of our military's youngest men and women. We also appreciate that this Bill is a Veteran's benefit and would not want the information provided in this testimony to be viewed as working against a Veteran's initiative. We are grateful for the service and example of Hawaii's Veterans and appreciate this bill's pursuit of their interests.

Thank you for this opportunity to provide testimony.

A handwritten signature in black ink, appearing to read "D. L. Isom", is located below the text of the letter.

DAVID L. ISOM
Fleet Master Chief, U.S. Navy
Command Senior Enlisted Leader



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY PACIFIC
FORT SHAFTER, HAWAII 96858-5100

February 6, 2023

The Honorable Chris Lee, Chair
The Honorable Lorraine R. Inouye, Vice Chair
Senate Committee on Transportation and Culture and the Arts

Tuesday, February 7, 2023 at 3:00 P.M.
Conference Room 224

Chair Lee, Vice Chair Inouye, and Members of the Committee:

U.S. Army Pacific Headquarters requests that the Hawaii State Legislature take into testimony extenuating conditions and context as it relates to the impacts of the potential revocation of Senate Bill 1046, otherwise known as measure title: relating to vehicle weight tax.

While Hawaii is a highly desirable duty location for many of our Soldiers and their families, the high cost of living has posed an especially difficult challenge for our junior enlisted Soldiers and their families. Recent estimates have shown that almost 30% of our most vulnerable junior enlisted families face food insecurity due to financial hardships. Rescinding this bill will primarily impact these families who already face a number of significant financial challenges and stress.

The U.S. Army as part of the military community of Hawaii contributes an estimated \$13 billion dollars through direct and indirect investment annually. These financial contributions into our local economy have provided a positive and lasting benefit to our community.

We kindly request that if the legislature does choose to rescind this exemption, that a 24 to 36-month postponement in implementation is exercised so that our most vulnerable families may prepare for this unforecasted financial impact. The past support of the Hawaiian State Legislature for our military families has been recognized and appreciated by those who desire to serve our Nation and our community. We thank you for the time and for your thoughtful consideration in support of our military families.

Respectfully,

A handwritten signature in black ink, appearing to read "Peter N. Benchoff".

PETER N. BENCHOFF
Major General, USA
Chief of Staff



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF DEFENSE
KA 'OIHANA PILI KAUA
OFFICE OF VETERANS' SERVICES
459 PATTERSON ROAD, E-WING, ROOM 1-A103
HONOLULU, HAWAII 96819-1522
Telephone Number (808) 433-0420

TESTIMONY ON SENATE BILL 1046
RELATING TO VEHICLE WEIGHT TAX

PRESENTATION TO
THE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

BY

RONALD P. HAN JR.
DIRECTOR, STATE OFFICE OF VETERANS SERVICES

FEBRUARY 7, 2023

Chair Lee, Vice Chair Inouye, and Members of the Committee on Transportation and Culture and the Arts;

I am Ron Han, Director of the State Office of Veterans Services in the State Department of Defense

The State Office of Veterans Services (OVS) provides written testimony in **SUPPORT** of SB 1046 along with some recommendations.

This measure, if passed, would amend the vehicle weight tax exemption by adding an exemption for certain Veterans. One of the issues to consider is how many active-duty and reserve personnel currently receive this entitlement. Like the National Guard and the suggested change in language of this proposed measure to now include Veterans, no more than **one vehicle** should be authorized for this vehicle weight tax exemption. Our current military servicemembers, to include our National Guardsmen and Veterans have served their Nation in an all-volunteer force. Their contributions are innumerable in supporting both federal and state missions. Their support of humanitarian efforts and disaster relief, such as their integral part of COVID-19 support to keep our state safe, and their commitment to sustained defense of our Nation merit this noteworthy entitlement.

One highlight for Veterans Affairs 100% Disabled Rated member data in the State of Hawaii indicates there are 6,370 of these service connected members who currently only receive an exemption for registration fee of \$45 a year. However, this demographic brings in over \$25M a month and over \$250M a year as a resident of this State through their service connection compensation. Like our active duty, Reservists and National Guard members, Veterans are interwoven in the community and deserve all that we can give to them for their distinguished service and sacrifice.

Thank you for this opportunity to provide testimony in support of SB 1046.

The DOD supports the intent expressed in this measure as long as its implementation does not impact or replace the priorities set forth in the Executive Budget.

Ron Han, ronald.p.han@hawaii.gov; 808-433-0422

SB-1046

Submitted on: 2/6/2023 5:56:54 AM

Testimony for TCA on 2/7/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Myoung Oh	Testifying for Chamber of Commerce Military Affairs Committee	Oppose	In Person

Comments:

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Repeal military exemption and replace with exemption for veterans

BILL NUMBER: SB 1046, HB 147

INTRODUCED BY: SB by SHIMABUKURO, AQUINO, CHANG; HB by PERRUSO, AMATO, ICHIYAMA, KAPELA, LOWEN, MARTEN, NAKASHIMA, ONISHI, TAM, Ganaden

EXECUTIVE SUMMARY: Amends the vehicle weight tax exemption for noncommercial vehicles by removing the exemption for military reserves and other active duty military personnel and adding an exemption for certain veterans.

SYNOPSIS: Amends section 249-6.5, HRS, to repeal the vehicle weight tax and registration fee exemption for active duty military and military reserves (except for National Guard) and replace it with an exemption for one noncommercial vehicle registered to a veteran who was not dishonorably discharged.

EFFECTIVE DATE: July 1, 2023.

STAFF COMMENTS: The motor vehicle weight tax and registration fees are user charges designed to recover the cost of construction and maintenance of Hawaii's highway system. It should be remembered that all motorists use the state highways and should, therefore, lend a hand in paying for good and safe roads. Note well, that any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay. Motorists generally will have to pick up the additional costs created by this proposed exemption.

This bill offers no policy justification for the proposed exemption. It just replaces an exemption for active duty military with an exemption for former duty military. So, while the exemption would provide relief to a veteran, a single mom making minimum wage, barely making ends meet, must continue to pay these fees.

Digested: 2/5/2023



Environmental Caucus of The Democratic Party of Hawai'i

LATE

To: The Honorable Senator Chris Lee, Chair
The Honorable Senator Lorraine R. Inouye, Vice Chair
Members of the Committee on Transportation and Culture and the Arts

Re: **SB 1046 – RELATING TO VEHICLE WEIGHT TAXES**

Hearing: Tuesday, February 7, 2023, 3:00 p.m., Conference Room 224 and via videoconference

Position: **Strong Support**

Aloha Chair Lee, Vice Chair Inouye, and Members of the Committee on Transportation and Culture and the Arts:

The Environmental Caucus of the Democratic Party of Hawai'i which comprises of 7,500 members, stands in strong support of SB 1046. This measure amends the vehicle weight tax exemption for noncommercial vehicles by removing the exemption for military reserves and other active-duty military personnel and adding an exemption for certain veterans.

As provided in the Democratic Party of Hawai'i Platform adopted at the DPH State Convention on May 28, 2022, this is our policy on TRANSPORTATION and U.S. MILITARY AND VETERANS' AFFAIRS:

TRANSPORTATION: We adopt transportation policies that improve our quality of life.

We believe that veterans of the United States Armed Forces should be honored and treated with dignity and respect. We support policies that provide veterans with the best possible care of both their physical and mental health. [OUR PLATFORM | DPH \(hawaiidemocrats.org\)](https://hawaiidemocrats.org)

Amending the vehicle weight tax exemption for noncommercial vehicles by removing the exemption for military reserves and other active-duty military personnel and adding an exemption for certain veterans are consistent with the policies of the Democratic Party of Hawaii Platform on Transportation and U.S. Military and Veterans' Affairs in which its members are duly bound to adhere to. Please pass this measure.

Mahalo for this opportunity to testify.

/s/ Melodie Aduja and Alan Burdick,
Co-Chairs, Environmental Caucus of the Democratic Party of Hawai'i

SB-1046

Submitted on: 2/5/2023 1:21:17 PM

Testimony for TCA on 2/7/2023 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

I support SB1046.