

JAN 24 2024

---

---

# A BILL FOR AN ACT

RELATING TO DISABLED VETERANS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds an unending debt of  
2 gratitude is owed to those who bravely incurred injuries,  
3 especially lifelong disabilities, while serving in the nation's  
4 armed forces.

5           The legislature also finds that investing in veteran care  
6 is not just ethical, but strategic as well. The legislature  
7 believes that caring for the nation's veterans is critical to  
8 ensuring that the nation's armed forces remain all-volunteer  
9 forces in the future.

10           The legislature further finds that while no compensation  
11 can truly match the service of the nation's disabled veterans,  
12 offering meaningful exemptions from certain annual fees and  
13 taxes is a small token of the State's gratitude. However,  
14 despite qualified disabled veterans being exempt from annual  
15 vehicle registration fees, these disabled veterans are still  
16 required to pay other annual taxes and fees, including vehicle  
17 weight taxes and beautification fees.



1           Accordingly, the purpose of this Act is to exempt qualified  
2 disabled veterans from various annual motor vehicle fees and  
3 taxes, including vehicle weight taxes and beautification fees.

4           SECTION 2. Section 249-31.5, Hawaii Revised Statutes, is  
5 amended to read as follows:

6           "**§249-31.5 Exemptions from registration and beautification**  
7 **fees and vehicle weight taxes for certain vehicles; disabled**  
8 **veterans.** (a) A disabled veteran who:

- 9           (1) Is a resident of Hawaii;
- 10           (2) Has been other than dishonorably discharged from the  
11 United States uniformed armed forces; and
- 12           (3) Is determined by the United States Department of  
13 Veterans Affairs or its predecessor to have a  
14 service-connected one hundred per cent disability  
15 rating for compensation or a service-connected  
16 disability rating of one hundred per cent,

17 shall be exempt from payment of all annual vehicle registration  
18 fees as required by section 249-31[+], county registration fees,  
19 vehicle weight taxes provided for in this chapter, and county  
20 fees levied pursuant to section 286-51(c); provided that this  
21 exemption shall not extend to any vehicle used for commercial



1 purposes or to more than one vehicle owned by the disabled  
2 veteran.

3 (b) The director of the office of veterans' services, in  
4 consultation with the policy advisory board on [+]veterans' [+]  
5 services, shall submit a report to the legislature and the  
6 department of taxation no later than twenty days prior to the  
7 convening of each regular session providing the legislature and  
8 the department of taxation with the total number of disabled  
9 veterans who qualify under this section for the [~~exemption~~]  
10 exemptions from annual vehicle registration fees[~~-~~], vehicle  
11 weight taxes, and county fees."

12 SECTION 3. Section 249-33, Hawaii Revised Statutes, is  
13 amended as follows:

14 1. By amending subsection (a) to read:

15 "(a) All vehicles and motor vehicles in the State as  
16 defined in section 249-1, including antique motor vehicles,  
17 except as otherwise provided in sections 249-4, 249-5.5, 249-6,  
18 [~~and~~] 249-6.5, and 249-31.5, in addition to all other fees and  
19 taxes levied by this chapter, shall be subject to an annual  
20 state vehicle weight tax. The tax shall be levied by the county  
21 director of finance at the rate of 1.75 cents a pound according



1 to the net weight of each vehicle as the "net weight" is defined  
2 in section 249-1 up to and including four thousand pounds net  
3 weight; vehicles over four thousand pounds and up to and  
4 including seven thousand pounds net weight shall be taxed at the  
5 rate of 2.00 cents a pound; vehicles over seven thousand pounds  
6 and up to and including ten thousand pounds net weight shall be  
7 taxed at the rate of 2.25 cents a pound; vehicles over ten  
8 thousand pounds net weight shall be taxed at a flat rate of  
9 \$300."

10 2. By amending subsection (c) to read:

11 "(c) The exemptions provided by sections 249-3 to 249-6  
12 and 249-31.5 shall apply to this section. The provisions for  
13 refunds, and taxes for fraction of years for vehicles removed  
14 from or brought into the State and for junked vehicles,  
15 contained in sections 249-3 and 249-5 shall apply to the tax  
16 levied by this section."

17 SECTION 4. Section 286-51, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 "**§286-51 Registration, expense.** (a) The certificate of  
20 registration for each motor vehicle in the counties of the State  
21 shall be renewed on a staggered basis as established by each



1 county. The director of finance of each county may adopt rules  
2 to carry out the purposes stated in this section and shall  
3 expend the funds from the director's operating funds as may be  
4 necessary for these purposes; provided that if the director has  
5 ascertained as of the date of the application that:

6 (1) The registered owner has not deposited or paid bail  
7 with respect to any summons or citation issued to the  
8 registered owner for stopping, standing, or parking in  
9 violation of traffic ordinances within the county;

10 (2) The registered owner of a motor carrier vehicle, as  
11 defined in section 286-201, has not resolved any  
12 outstanding federal operations out-of-service orders  
13 issued by the United States Secretary of  
14 Transportation; or

15 (3) The registered owner has outstanding charges and fines  
16 owed to the county relating to the disposition of an  
17 abandoned vehicle, including for costs related to  
18 towing, storage, processing, and disposal,

19 the director may require, as a condition precedent to the  
20 renewal, that the registered owner deposit or pay bail with  
21 respect to ~~[all such]~~ the summonses or citations, resolve all



1 federal operations out-of-service orders, or pay all outstanding  
2 charges and fines relating to the disposition of the abandoned  
3 vehicle. The payment of all outstanding charges or fines  
4 relating to the disposition of the abandoned vehicle shall not  
5 be a condition precedent to the transfer if the abandoned  
6 vehicle was stolen or taken from the registered owner without  
7 permission or authorization and a police report for the  
8 abandoned vehicle is filed within a period of time, to be  
9 determined by the director of finance of each county, after  
10 discovery of the abandoned vehicle. The certificates of  
11 registration issued hereunder shall show, in addition to all  
12 information required under section 286-47, the serial number of  
13 the tag or emblem and shall be valid during the registration  
14 year only for which they are issued. Any certificate of  
15 registration belonging to a motor carrier shall be suspended or  
16 revoked when that motor carrier has been issued any federal  
17 operations out-of-service orders by the United States Secretary  
18 of Transportation and that certificate of registration shall  
19 remain suspended or revoked until all the federal operations  
20 out-of-service orders are resolved. The certificates of  
21 ownership need not be renewed annually but shall remain valid as



1 to any interest shown therein until canceled by the director of  
2 finance as provided by law or replaced by new certificates of  
3 ownership as hereinafter provided.

4 (b) This part shall be administered by the director of  
5 finance in conjunction with the requirements of sections 249-1  
6 to 249-13 and shall entail no additional expense or charge to  
7 the person registering the ownership of a motor vehicle other  
8 than as provided by this section or by other laws; provided that  
9 for each new certificate of ownership issued by the director of  
10 finance under section 286-52, the director of finance may charge  
11 a fee [~~which~~] that shall be deposited in the general fund. The  
12 fees charged to issue a new certificate of ownership shall be  
13 established by the county's legislative body.

14 (c) Notwithstanding any other law to the contrary, an  
15 additional fee of not more than \$2 for each certificate of  
16 registration for all motor vehicles may be established by  
17 ordinance and collected annually by the director of finance of  
18 each county, to be used and administered by each county:

19 (1) For the purpose of beautification and other related  
20 activities of highways under the ownership, control,  
21 and jurisdiction of each county;



1           (2) To defray the additional cost in the disposition and  
2           other related activities of abandoned or derelict  
3           vehicles as prescribed in chapter 290. For the  
4           purposes of this paragraph, other related activities  
5           shall include but need not be limited to any and all  
6           storage fees that are negotiated between each county  
7           and a towing company contracted by the county to  
8           remove and dispose of abandoned or derelict vehicles;  
9           and

10          (3) To mitigate and address the impacts of tourism-related  
11          traffic congestion.

12 The \$2 fee established pursuant to this subsection for  
13 certificates of registration for all motor vehicles may be  
14 increased by ordinance up to a maximum of \$10. The moneys so  
15 assessed and collected shall be placed in a revolving fund  
16 entitled, "the highway beautification, abandoned vehicle, and  
17 tourism-related traffic congestion revolving fund."

18          SECTION 5. Section 437D-3, Hawaii Revised Statutes, is  
19 amended by amending the definition of "vehicle license recovery  
20 fees" to read as follows:



1 "Vehicle license recovery fees" includes motor vehicle  
2 weight taxes under section 249-2; fees connected with the  
3 registration of specially constructed, reconstructed, or rebuilt  
4 vehicles, special interest vehicles, or imported vehicles as  
5 referenced in section 286-41(c); license plate and emblem fees  
6 under section 249-7(b); inspection fees as referenced in section  
7 286-26; highway beautification fees as referenced in section  
8 [~~286-51(b)(1)-7~~] 286-51(c)(1); and any use tax under chapter  
9 238."

10 SECTION 6. This Act does not affect rights and duties that  
11 matured, penalties that were incurred, and proceedings that were  
12 begun before its effective date.

13 SECTION 7. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15 SECTION 8. This Act shall take effect on July 1, 2024.

16

INTRODUCED BY:



# S.B. NO. 3245

**Report Title:**

Disabled Veterans; Motor Vehicles; Registration; Fees; Taxes; Exemption

**Description:**

Exempts qualified disabled veterans from various annual motor vehicle fees and taxes, including vehicle weight taxes and beautification fees.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

