STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 0 8 2007

RE: S.B. No. 805

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Intergovernmental and Military Affairs, to which was referred S.B. No. 805 entitled:

"A BILL FOR AN ACT RELATING TO MILITARY RESERVE COMPONENTS,"

begs leave to report as follows:

The purpose of this measure is to provide an exemption from passenger motor vehicle taxes and registration fees for members of the Hawaii National Guard and Hawaii-based reserve components of the U.S. military.

Testimony in support of the measure was submitted by the State Department of Defense, the Department of Taxation, the Department of Transportation, the National Guard Association of Hawaii Insurance Trust, the Hawaii National Guard Association, the Hawaii National Guard Enlisted Association, and the Chamber of Commerce of Hawaii. The Tax Foundation submitted comments on the measure.

Your Committee finds that the exemption of passenger motor vehicle taxes and registration fees for members of the Hawaii National Guard and Hawaii-based reserve components of the U.S. military provided in this measure is similar to the exemption provided to nonresident military personnel under the Soldiers' and Sailors' Civil Relief Act.

Your Committee amended this measure by extending the exemption from passenger motor vehicle taxes and registration fees for members of the Hawaii National Guard and Hawaii Reserves to

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other resident active duty personnel, including Coast Guard personnel. Your Committee has also included language that prohibits the use of the exemption on commercial vehicles.

Your Committee intends that this amendment will strongly convey to members of the Hawaii National Guard, Hawaii Reserves and other active duty personnel, including Coast Guard personnel that the State of Hawaii truly cares and supports their service and commitment to our nation.

As affirmed by the record of votes of the members of your Committee on Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 805, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 805, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on behalf of the members of the Committee on Intergovernmental and Military Affairs,

LORRAINE R. INQUYE, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Intergovernmental and Military Affairs IGM

Bill / Resolution No.:* 5B 805	Committee Referral: Date: 2/5/07				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
INOUYE, Lorraine R. (C)		1			
TSUTSUI, Shan S. (VC)					
HEMMINGS, Fred			88100=240=01#=0100000=0		`
	24 (400) (2004) (300) (310) (310) (310) (320) (320) (320)				
TOTAL					·
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

^{*}Only one measure per Record of Votes