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Honolulu, Hawaii FEB 0 2 2011

RE: S.B. No. 1328

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Transportation and International Affairs, to which was referred S.B. No. 1328 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," begs leave to report as follows:

The purpose and intent of this measure is to increase the annual motor vehicle registration fee from \$25 to \$45 for deposit into the State Highway Fund.

Your Committee received testimony in support of this measure from the State Department of Transportation and the City and County of Honolulu. Testimony in opposition to this measure was received from the Hawaii Transportation Association, Enterprise Rent-A-Car, Alamo Rent-A-Car, and National Car Rental in Hawaii. Comments on this measure were received from the Tax Foundation of Hawaii.

Your Committee finds that this measure improves the ability of the Department of Transportation to construct, operate, and maintain the state highway system. The current motor vehicle registration fee of \$25 was established by Act 158, Session Laws of Hawaii 2004. According to testimony of the Department of Transportation, this measure is estimated to provide an additional \$34,000,000 annually for the State Highway Fund. Your Committee finds that without the additional funding, the Department cannot properly maintain the state highway system which includes 2,479.36 lane miles. Although the State has increased the lane miles of the state highway system, the routine operation and maintenance

budget has not concomitantly increased to properly maintain the additional lane miles.

As affirmed by the record of votes of the members of your Committee on Transportation and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1328 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Transportation and International Affairs,

T KALANI ENGLI . Chai

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Transportation and International Affairs TIA

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 1328	TI	A, WA	M	1/3	1/11
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
ENGLISH, J. Kalani (C)		/			
ESPERO, Will (VC)					
DELA CRUZ, Donovan M.					
GABBARD, Mike					
KAHELE, Gilbert					
KOUCHI, Ronald D.					
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TOTAL		4	2	1	
Recommendation:					
Adopted 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					

*Only one measure per Record of Votes