



DISABILITY AND COMMUNICATION ACCESS BOARD

919 Ala Moana Boulevard, Room 101 • Honolulu, Hawaii 96814
Ph. (808) 586-8121 (V/TDD) • Fax (808) 586-8129

February 6, 2012

TESTIMONY TO THE HOUSE COMMITTEE ON TRANSPORTATION

House Bill 2552 – Relating to Funding for Parking for Disabled Persons

The Disability and Communication Access Board (DCAB) strongly supports House Bill 2552 Relating to Funding for Disabled Persons. The purpose of this bill is to increase the annual vehicle registration fee by \$1.00, which will be deposited into the DCAB accessible parking account within the DCAB Special Fund to cover the costs of administering parking for persons with disabilities.

To refresh your memory, this bill was passed out of conference committee last year but was deferred on the last day of session due to a technical flaw in the drafting of the bill. As the Legislature supported the bill last year, we ask that you take the same action this year by supporting this bill.

DCAB is the State agency responsible for the overall coordination and administration of this federally required program. The parking program is managed through a centralized, Internet-based database operated by DCAB staff. DCAB enters into memorandums of agreement with the counties to issue first time and replacement placards on a walk-in basis at satellite city halls. The renewals are issued through a mail-in process by the DCAB office.

The program now is one hundred percent (100%) general funded, except for a small portion of revenue collected for replacement and temporary placards which is retained by the counties. The revenue generated will allow the program to be self-sufficient. Reliance on general funds is expected to be reduced in the subsequent biennium by approximately \$503,000. This bill would finance the program through a new source of revenue in lieu of the general fund. This bill proposes to create a revenue stream from the motor vehicle registration fee. We believe that this nominal increase will ensure the continued existence of this program in a manner that ensures quality and integrity of the program and not tap into valuable, limited general funds. DCAB has discussed this with the counties to ensure that it is administratively feasible, as well as the State Department of Transportation to ensure that they can transfer the money collected to the Department of Health. We have assurances of support in this regard.

Because the placard is transferable to any vehicle and only vehicles can park in accessible parking stalls, this program actually benefits all vehicle owners who potentially can transport a person with a placard. This is a more appropriate financing mechanism than the general fund.

Should the bill pass in 2012, the DCAB general fund requirement will be reduced in the subsequent biennium by approximately \$503,000. The bill would take effective January 1, 2013 to allow the counties to reprogram their computers. We ask that you not make any adjustments to our budget in the subsequent fiscal year, as program expenses will not be moved to, nor charged against, the Special Fund until July 1, 2013.

Thank you for the opportunity to provide comment.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Barbara Fischlowitz-Leong".

BARBARA FISCHLOWITZ-LEONG
Chairperson

A handwritten signature in black ink, appearing to read "Francine Wai".

FRANCINE WAI
Executive Director

DEPARTMENT OF CUSTOMER SERVICES
CITY & COUNTY OF HONOLULU
DIVISION OF MOTOR VEHICLE, LICENSING AND PERMITS
ADMINISTRATION
P.O. BOX 30300
HONOLULU, HAWAII 96820-0300

PETER B. CARLISLE
MAYOR



GAIL Y. HARAGUCHI
DIRECTOR

DENNIS A. KAMIMURA
LICENSING ADMINISTRATOR

February 2, 2012

The Honorable Joseph M. Souki, Chair
and Committee Members
Committee on Transportation
House of Representatives
State of Hawaii
State Capitol, Room 426
Honolulu, Hawaii 96813

Dear Chair Souki and Committee Members:

Subject: H.B. No. 2552, Relating to Funding For Parking For Disabled Persons

The City and County of Honolulu has no objections to H.B. No. 2552 which will require the addition of \$1 to the State registration fee to be deposited into the Disability and Communication Access Board (DCAB) special fund. This fee will provide the necessary funds for DCAB to reimburse the counties for issuance of disabled persons placards and identification cards.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Kamimura", is written over a horizontal line.

Dennis A. Kamimura
Licensing Administrator

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Increase registration fee for disabled parking program

BILL NUMBER: SB 2814; HB 2552 (Identical)

INTRODUCED BY: SB by Tsutsui by request; HB by Say by request

BRIEF SUMMARY: Amends HRS section 249-31 to increase the annual state motor vehicle registration fee from \$45 to \$46 and provide that \$1 of that amount shall be deposited into the disability and communication access board special fund.

EFFECTIVE DATE: January 1, 2013

STAFF COMMENTS: This is an administration measure submitted by the department of health HTH-02(12). This bill proposes to increase the annual state motor vehicle registration fee by \$1 and earmarks that \$1 to cover the costs of administering the parking for persons with disabilities program. While the justification sheet submitted by the department of health states that since this program is currently funded by 100% of general funds, the adoption of this measure will result in more general funds available for other programs. If this measure is adopted, the funding for this program will be from the \$1 increase in the state motor vehicle registration fee that is paid each time a motor vehicle is registered. While it will create a funding source and provide that \$1 will be deposited into the disability and communication access board special fund each time a motor vehicle is registered, this will provide funds to the program automatically without any legislative oversight or scrutiny, resulting in a special fund that could either be underfunded or produce more revenues than needed to run the program, thereby making it a fund to be raided when the legislature is on the hunt for more money to spend.

The adoption of this measure may open the door for other "add-ons" to provide revenue for other "important" programs. In 2004, Act 158 increased the state motor vehicle registration fee from \$5 to \$25 and deposited \$20 in the highway fund and \$5 into the emergency medical special fund. While it appears that the \$1 fee proposed appears to be a nominal amount, if this particular program area requires additional funds, there is no doubt that the amount of the fee will be increased or other sources of revenue may be tapped.

If the legislature considers the parking for persons with disabilities program to be a high priority, then it should be subject to the general fund appropriation process to ensure that adequate funds are appropriated and reviewed by the legislature rather than the method proposed by this measure. The bottom line is that this proposal is nothing more than a tax increase as the justification sheet points out, that it frees up money in the general fund for other programs. Much as the health department may want to make the proposal look like it is related to highway transportation, it has nothing to do with highways for which the registration fee is imposed. It is for parking for the disabled which is already subsidized by highway users as a disabled permit allows the vehicle to be parked with paying the parking fee. As such, this measure should not be approved.

Digested 2/3/12

ichiyama1 - Curi

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 05, 2012 10:18 AM
To: TRNtestimony
Cc: Tlenzer@hawaii.rr.com
Subject: Testimony for HB2552 on 2/6/2012 9:00:00 AM

Testimony for TRN 2/6/2012 9:00:00 AM HB2552

Conference room: 309
Testifier position: Support
Testifier will be present: No
Submitted by: Anthony Lenzer
Organization: Policy Advisory Board for Elder Affairs
E-mail: Tlenzer@hawaii.rr.com
Submitted on: 2/5/2012

Comments:

I am testifying on behalf of PABEA, the Policy Advisory Board for Elder Affairs, which advises the Executive Office on Aging (EOA), and advocates for Hawaii's older adults. My testimony reflects the views of PABEA and not those of EOA.

PABEA supports HB 2552, which increases the state vehicle registration fee by \$1, monies from which would be deposited in the Disability and Communication Access Board (DCAB) Special Fund, to cover the cost of administering the parking program for persons with disabilities. Having user fees cover the cost of this program is an excellent way to reduce demands on the state's general fund. Further, the addition of \$1 to the vehicle registration fee will hardly be noticed by vehicle owners, who now may be paying several hundred dollars to register their cars each year.

On a personal note, as a former member of the DCAB Board, I can tell you that the parking program is now being administered very efficiently by the DCAB staff. I thus urge your support of this bill, and thank you for the opportunity to testify.

Ichiyama1 - Curi

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, February 04, 2012 8:02 PM
To: TRNtestimony
Cc: Brenda.Kosky@gmail.com
Subject: Testimony for HB2552 on 2/6/2012 9:00:00 AM

Testimony for TRN 2/6/2012 9:00:00 AM HB2552

Conference room: 309
Testifier position: Support
Testifier will be present: No
Submitted by: Brenda Kosky
Organization: Individual
E-mail: Brenda.Kosky@gmail.com
Submitted on: 2/4/2012

Comments: