## A BILL FOR AN ACT

RELATING TO A CAR-SHARING VEHICLE SURCHARGE TAX.

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

SECTION 1. The legislature finds that car-sharing is a 1 2 green transportation innovation that can significantly reduce 3 vehicle miles traveled, oil imports, greenhouse gas emissions, and household transportation costs for Hawaii residents. Car-4 sharing is a fairly new transportation innovation in the United 5 6 States that has emerged only in the last ten years. Unlike 7 traditional car rentals, car-sharing is not aimed at tourists or individuals who are getting a personal vehicle repaired. 8 9 sharing is generally rented by the minute or by the hour, rather 10 than by the day. Car-sharing members are persons who either 11 cannot afford to or prefer not to own their own vehicles but 12 occasionally need access to vehicles to run errands. Car-13 sharing enables them to enjoy the benefits of automobile access 14 without the high fixed costs and other concerns that come with 15 car ownership.

The purpose of this Act is to create a car-sharing vehicle surcharge tax.

2014-1386 SB2731 SD1 SMA.doc

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SECTION 2. Chapter 251, Hawaii Revised Statutes, is
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    amended by adding a new section to be appropriately designated
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    and to read as follows:
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                   Car-sharing vehicle surcharge tax. (a) There is
         "§251-
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    levied and shall be assessed and collected a car-sharing vehicle
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    surcharge tax of $ per day, prorated on an hourly
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    basis and rounded upward to the next hour, on each vehicle
    available for use or partially available for use during each
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    month by members of a car-sharing organization. The car-sharing
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    vehicle surcharge tax shall be levied upon the car-sharing
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    organization.
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         (b) A car-sharing organization that is registered with the
    director pursuant to section 251-3 shall be subject to the
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    surcharge imposed by this section and shall not be subject to
    the surcharges imposed by section 251-2. All rental motor
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    vehicles and tour vehicles shall be subject to the surcharges
    imposed by section 251-2 and shall not be subject to the
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    surcharge imposed by this section."
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         SECTION 3. Chapter 251, Hawaii Revised Statutes, is
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    amended by amending its title to read as follows:
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                            "[+]CHAPTER 251[+]
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1	RENTA	L MOTOR VEHICLE [AND], TOUR VEHICLE, AND CAR-SHARING
2		VEHICLE SURCHARGE TAX"
3	SECT	ION 4. Section 251-1, Hawaii Revised Statutes, is
4	amended b	y adding a new definition to be appropriately inserted
5	and to read as follows:	
6	"Car-sharing organization" means an organization that	
7	operates a membership program in which:	
8	(1)	Self-service access to a fleet of vehicles is
9		provided, with or without requiring a reservation,
10		exclusively to members of the organization who have
11		<pre>paid a membership fee;</pre>
12	(2)	Members are charged a usage rate, either hourly or by
13		the minute, for each use of a vehicle;
14	(3)	Members are not required to enter into a separate
15		written agreement with the organization each time the
16		member reserves and uses a vehicle;
17	(4)	The average paid use period for all vehicles provided
18		by the organization during any calendar year is four
19		hours or less; and
20	(5)	At least sixty per cent of all vehicle rentals made by
21		the organization during the prior calendar year were
22		made to residents of Hawaii."

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         SECTION 5. Section 251-3, Hawaii Revised Statutes, is
    amended by amending subsection (a) to read as follows:
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               Each person as a condition precedent to engaging or
    continuing in the business of providing rental motor vehicles to
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    the public or engaging or continuing in the tour vehicle
    operator business or a car-sharing organization business shall
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    register with the director. A person required to so register
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    shall make a one-time payment of $20, upon receipt of which the
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    director shall issue a certificate of registration in such form
    as the director determines, attesting that the registration has
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    been made. The registration shall not be transferable and shall
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    be valid only for the person in whose name it is issued and for
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    the transaction of business at the place designated therein.
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    The registration, or in lieu thereof a notice stating where the
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    registration may be inspected and examined, shall at all times
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    be conspicuously displayed at the place for which it is issued."
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         SECTION 6. Statutory material to be repealed is bracketed
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    and stricken. New statutory material is underscored.
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         SECTION 7. This Act shall take effect on July 1, 2014.
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## Report Title:

Car-sharing Vehicle Surcharge Tax

## Description:

Establishes a car-sharing vehicle surcharge tax, set at a flat rate per day and prorated on an hourly basis. (SD1)

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