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## MAR 1 1 2022

## SENATE RESOLUTION

REQUESTING THE COUNTIES TO DEVELOP AN OPTION THAT ALLOWS STATE RESIDENTS TO REMIT THEIR MOTOR VEHICLE REGISTRATION TAXES AND FEES ON A PRO-RATED BIANNUAL BASIS AND CONSIDER A PROCESS THAT ESTABLISHES A MORATORIUM ON MOTOR VEHICLE REGISTRATION TAXES AND FEES.

WHEREAS, the high costs of housing, food, health care, transportation, and other goods and services in the State are felt by Hawaii residents statewide, but particularly by low-income individuals; and

WHEREAS, household spending on transportation represents a primary expense for households in the State and the rest of the nation; and

WHEREAS, according to the United States Department of Transportation, households spent an average of \$9,826 on transportation in 2020, the second largest household expenditure category after housing when spending on behalf of households, such as health care benefits, is excluded; and

WHEREAS, all motor vehicles in the State, including motor vehicle ownership transfers, are subject to registration taxes and fees; and

WHEREAS, low-income individuals may not be able to pay the taxes and fees associated with motor vehicle registration in lump sum or may experience financial hardship in doing so; and

WHEREAS, motor vehicles are necessary for travel to and from work and to carry out other daily activities even if the owner of the motor vehicle is unable to afford the motor vehicle registration taxes and fees; and

WHEREAS, if an individual is unable to pay for the taxes and fees associated with motor vehicle registration and incurs a

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penalty for late registration of the motor vehicle, the cycle of financial hardship on the individual continues and the fiscal responsibilities increase as delinquent fees and other costs continue to mount; and

WHEREAS, while a statewide moratorium was established during the height of the COVID-19 pandemic on evictions for nonpayment of rent, no moratorium was established for nonpayment of motor vehicle registration taxes and fees; and

 WHEREAS, a possible solution to alleviate the financial hardships experienced by low-income individuals and other qualified individuals is to allow these individuals to pay their motor vehicle registration taxes and fees on a pro-rated biannual basis; and

WHEREAS, establishing a moratorium on payments of motor vehicle registration taxes and fees, similar to the moratorium on rent and mortgage payments that existed during the height of the COVID-19 pandemic in the State, would also enable individuals to recover financially as the pandemic improves; now, therefore,

BE IT RESOLVED by the Senate of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2022, that the counties are urged to develop an option that allows state residents to remit their motor vehicle registration taxes and fees on a pro-rated biannual basis; and

BE IT FURTHER RESOLVED that the counties are also urged to consider a process that establishes a moratorium on motor vehicle registration taxes and fees; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Mayors and Council Chairpersons of the City and County of Honolulu and the counties of Hawaii, Kauai, and Maui; Director of the Department of Customer Services of the City and County of Honolulu; Administrator of the Vehicle Registration and Licensing Division of the County of Hawaii; Administrator of the Driver License Division and Motor Vehicle Division of the County of Kauai; and Administrator of the Motor Vehicle and Licensing Division of the County of Maui.

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OFFERED BY: