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Council Services Division 4396 Rice Street, Suite 209 Līhu'e, Kaua'i, Hawai'i 96766

February 7, 2022

TESTIMONY OF MASON K. CHOCK COUNCIL VICE CHAIR, KAUA'I COUNTY COUNCIL ON HB 1452, RELATING TO MOTOR VEHICLE REGISTRATION House Committee on Transportation Wednesday, February 9, 2022 10:00 a.m. Via Videoconference Conference Room 423

Dear Chair Aquino and Members of the Committee:

Thank you for this opportunity to provide testimony in support of HB 1452, Relating to Motor Vehicle Registration. My testimony is submitted in my individual capacity as Council Vice Chair of the Kaua'i County Council.

HB 1452, which is included in 2022 Hawai'i State Association of Counties Legislative Package, would repeal the limitation on the amount that a county may increase the certificate of registration for motor vehicles other than U-drive motor vehicles. This amendment will allow the counties to determine the appropriate amount of revenue to be generated for their individual county needs.

Thank you again for this opportunity to provide testimony. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via E-mail to cokcouncil@kauai.gov.

Sincerely,

MASON K. CHOCK Council Vice Chair, Kaua'i County Council

AMK:mn

Jade K. Fountain-Tanigawa, County Clerk Scott K. Sato, Deputy County Clerk

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 (808) 241-4188

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LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Registration Fees For Vehicles Other than U-Drive Vehicles

BILL NUMBER: HB 1452, SB 2055

INTRODUCED BY: HB by SAIKI by request; SB by KOUCHI by request (Hawaii Association of Counties Package)

EXECUTIVE SUMMARY: Repeals the limitation on the amount that a county increase the fee for certificates of registration for motor vehicles other than U-drive motor vehicles.

SYNOPSIS: Amends section 286-51, HRS, to delete the \$10 limit on registration fees for vehicles other than U-drive vehicles.

EFFECTIVE DATE: Upon Approval

STAFF COMMENTS: Act 274, SLH 1999, allowed the counties to charge a beautification fee on top of vehicle registration fees. It raised the beautification fee from \$1 to \$2 and gave the counties the power to raise it further, up to \$10. This bill deletes the \$10 limitation.

Digested: 2/7/2022



DATE: February 8, 2022

TO: Representative Henry Aquino Chair, Committee on Transportation

FROM: Mihoko Ito

RE: H.B. 1452, Relating to Registration of Vehicles Hearing Date: Wednesday, February 9, 2022 at 10:00 a.m. Conference Room: 423

Dear Chair Aquino, Vice Chair Ilagan, and members of the House Committee on Transportation:

We submit this testimony on behalf of Enterprise Holdings, which includes Enterprise Rent-A-Car, Alamo Rent-A-Car, National Car Rental, and Enterprise Commute (Van Pool).

Enterprise respectfully **opposes** H.B. 1452, which repeals the limitation on the amount that a county can increase the fee for certificates of registration for motor vehicles other than U-drive motor vehicles. The impact of this measure would be that counties could charge an unlimited amount of its registration fees on all vehicles. These county vehicle registration fees could be used for highway beautification and abandoned vehicles.

Enterprise is concerned that, without a cap, registration fees could increase significantly for not just rental cars, but for all Hawaii residents. We believe that maintaining a cap on county registration fees places reasonable limits on county authority.

We would also note that we prefer HB 1688 as a more equitable measure that is the result of collaboration with some of the counties. H.B. 1688 subjects U-drive motor vehicles to the same motor vehicle registration fees as other motor vehicles, and also authorizes the counties to use certain motor vehicle registration fees to mitigate and address the impacts of tourism-related traffic congestion. This bill will ultimately increase the amount of funding that counties receive, and allow counties to have flexibility to use the fee to support county traffic programs and infrastructure.

For the above reasons, we oppose H.B. 1452 and respectfully request that the Committee hold this measure.

avis budget group

Robert Muhs, Esq. Vice President Government Affairs T - 973 496-3532 <u>Robert.muhs@avisbudget.com</u>

Representative Henry Aquino, Chair Representative Greggor Ilagan, Vice Chair Committee on Transportation

Wednesday, February 9, 2022; 10:00 a.m. Via Videoconference

RE: HB 1452 Relating to Motor Vehicle Registration – Comments and concerns

Aloha Chair Aquino, Vice Chair Ilagan and Members of the Committee:

Avis Budget appreciates this opportunity to express concerns regarding HB 1452, which repeals the limitation on the amount that a county can increase the fee for certificates of registration for motor vehicles other than U-drive motor vehicles.

Currently, the fee for certificate of registration for motor vehicles, other than Udrive motor vehicles, may be increased by ordinance up to a maximum of \$10.00. We understand an increase in the fee may be necessary, but would prefer a cap on the fee. An unlimited amount could result in an unreasonable increase that would have an adverse impact on Avis Budget and its customers.

Thank you for the opportunity to submit testimony and for your consideration in increasing the cap instead of repealing it.