

STAND. COM. REP. NO. 173

Honolulu, Hawaii

FEB 08 , 2023

RE: H.B. No. 276  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred H.B. No. 276 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a refundable income tax credit for owners of commercial properties that provide designated parking spaces for vehicles available for rent through a peer-to-peer car-sharing program.

Your Committee received testimony in support of this measure from Turo and Getaround. Your Committee received testimony in opposition to this measure from Enterprise Holdings. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that peer-to-peer car sharing has emerged as a new car sharing model in the rental car marketplace, allowing vehicle owners to rent out their vehicles directly to consumers through online platforms. Although the State enacted Act 77, Session Laws of Hawaii 2022, to regulate peer-to-peer car-sharing programs, individuals offering vehicles for rent through peer-to-peer car-sharing programs have resorted to parking their vehicles in various neighborhoods. This measure seeks to help relocate vehicles available for rent through a peer-to-peer car-

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sharing program away from neighborhood streets by incentivizing owners of commercial properties to allocate dedicated parking spaces for these vehicles.

Your Committee has amended this measure by:

- (1) Making the income tax credit for owners of commercial properties that provide designated parking spaces for vehicles available for rent through a peer-to-peer car-sharing program nonrefundable;
- (2) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 276, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 276, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development,



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DANIEL HOLT, Chair



