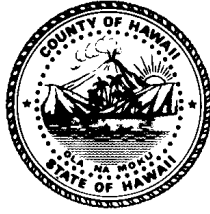


C. Kimo Alameda, Ph.D.
Mayor



William V. Brilhante, Jr.
Managing Director

Merrick Nishimoto
Deputy Managing Director

County of Hawai'i ~ Office of the Mayor

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Testimony of
C. Kimo Alameda, Ph.D.
Mayor, County of Hawai'i

Before the Senate Committees on
Energy and Intergovernmental Affairs
Senator Glenn Wakai, Chair
Senator Stanley Chang, Chair

Transportation
Senator Lorraine R. Inouye, Chair
Senator Brandon J.C. Elefante, Vice Chair

Tuesday, March 24, 2026, 3:01 p.m.
State Capitol Conference Room 229 & Videoconference

In consideration of
House Bill 2022, HD1
Relating to Motor Vehicle Registration

Aloha Chair Wakai, Chair Inouye, and Members of the Committees,

Mahalo for the opportunity to provide testimony in opposition to House Bill 2022, HD1. This bill requires that the counties annual vehicle registration fee shall not exceed the state's annual motor vehicle registration fee. It requires counties to spend a specific portion of revenue from county motor vehicle registration fees and weight taxes on roadway repair and maintenance. It also mandates that the county's annual vehicle weight tax shall not exceed the state's annual vehicle weight tax.

The county allocates a substantial share of registration and vehicle weight tax revenues to road maintenance. By restricting how these funds can be used and capping revenue, the measure could force reductions in public services currently funded by these revenues.

The county intentionally sets higher weight taxes on heavier vehicles to reflect their detrimental impact on roads. Imposing a cap at the state level would eliminate our ability to charge fairly for high-impact vehicles and result in an immediate loss of vital highway maintenance funding, potentially delaying repairs and reducing road quality across the county.

The administrative burdens in this bill will significantly increase staff workload and overextend our already limited resources.

Senate Committees on Energy & Intergovernmental Affairs,
and Transportation.
HB2022, HD1, Mayor Alameda Testimony
March 24, 2026
Page 2 of 2

Overall, this measure shifts decision-making authority away from counties and may redirect funding from essential services.

Mahalo for the opportunity to provide testimony in opposition to House Bill 2022, HD1.

DEPARTMENT OF CUSTOMER SERVICES
KA 'OIHANA LAWELawe KUPA
CITY AND COUNTY OF HONOLULU

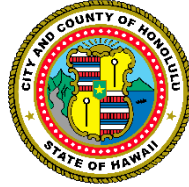
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RICK BLANGIARDI
MAYOR
MEIA

KIMBERLY M. HASHIRO
DIRECTOR
PO'O

MEGAN JOHNSON
DEPUTY DIRECTOR
HOPE PO'O



March 23, 2026

The Honorable Glenn Wakai, Chair
The Honorable Stanley Chang, Vice Chair
and Members of the Senate Committee on Energy and Intergovernmental Affairs

The Honorable Lorraine R. Inouye, Chair
The Honorable Brandon J.C. Elefante, Vice Chair
and Members of the Senate Committee on Transportation

State Capitol, Conference Room 229
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Wakai, Chair Inouye, Vice Chair Chang, Vice Chair Elefante,
Members of the Senate Committee on Energy and Intergovernmental Affairs, and
Members of the Senate Committee on Transportation:

SUBJECT: H.B. No. 2022, H.D. 1 - Relating To Motor Vehicle
Registration

HEARING: Tuesday, March 24, 2026, 3:01 p.m.

The City and County of Honolulu, Department of Customer Services (CSD),
Department of Motor Vehicles (DMV), respectfully **opposes** H.B. No. 2022, H.D. 1,
Relating to Motor Vehicle Registration. CSD DMV administers the motor vehicle
registration program for the island of O'ahu and appreciates the intent of the proposed
legislation.

While the measure seeks greater uniformity, it raises significant fiscal and policy
concerns for the counties. County weight tax structures are intentionally designed to
reflect the impact of vehicles on local road infrastructure. Heavier vehicles contribute
more significantly to roadway wear and maintenance needs. Limiting county authority

to set these rates may reduce the ability to appropriately assess higher-impact vehicles and could result in a loss of critical revenue for roadway maintenance.

Additionally, the proposed requirement to allocate a portion of vehicle registration fees to highway maintenance represents a substantial shift in county fiscal structure. Currently, weight taxes are fully dedicated to highway maintenance, while registration fees are deposited into the general fund to support a broad range of essential services. Redirecting these funds would constrain the general fund, reduce fiscal flexibility, and limit the City's ability to address other community priorities.

This reallocation may also create inefficiencies by duplicating funding streams for highway maintenance while simultaneously reducing the City's ability to respond to changing fiscal needs.

For these reasons, CSD DMV respectfully **opposes** this measure.

Thank you for this opportunity to provide testimony on H.B. No. 2022, H.D. 1.

Sincerely,

for Kimberly M. Hashiro
Director

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MOTOR VEHICLE, Set County Annual Vehicle Registration Fee and Weight Tax Same as State

BILL NUMBER: HB 2022 HD1

INTRODUCED BY: TRN

EXECUTIVE SUMMARY: Specifies that the county annual vehicle registration fee shall not exceed the state annual motor vehicle registration fee. Specifies that the counties are required to spend a certain portion of the collected revenues from county motor vehicle registration fees and weight tax on roadway repair and maintenance. Specifies that the county annual vehicle weight tax shall not exceed the state annual vehicle weight tax. Effective 7/1/3000. (HD1)

SYNOPSIS: Amends section 249-31, HRS, to force the county annual registration fee to be equal to the state annual motor vehicle registration fee notwithstanding any county ordinance to the contrary. Requires each county to expend no less than 30% of the respective revenues collected from county registration fees for roadway repair and maintenance, and requires an annual report to the legislature.

Amends section 249-33, HRS, to force the county annual vehicle weight tax to be equal to the state annual motor vehicle registration fee notwithstanding any county ordinance to the contrary. Requires each county to expend no less than 30% of the respective revenues collected from county vehicle weight taxes for roadway repair and maintenance, and requires an annual report to the legislature.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: This measure supplants the county's traditional authority to set by ordinance the annual motor vehicle registration fee and weight tax.

County vehicle taxes (except for bicycle fees) typically go into the county highway fund (section 249-18, HRS) and are used for road maintenance.

Digested: 2/28/2026



**TESTIMONY OF TINA YAMAKI, MANAGING DIRECTOR
HAWAII TRANSPORTATION ASSOCIATION
MARCH 24, 2026**

HB 2022 HD1 RELATING TO MOTOR VEHICLE REGISTRATION.

Aloha Chair Wakai and Chair Inouye and members of the Senate Committee on Energy and Intergovernmental Affairs and the Senate Committee on Transportation. I am Tina Yamaki, Managing Director of the Hawaii Transportation Association and I appreciate this opportunity to testify.

The Hawaii Transportation Association (HTA Hawaii) was founded in 1938 and incorporated in 1963, and is a private, non-profit trade organization dedicated to the service and assistance to the commercial ground transportation industry in the State of Hawaii. Our members include family owned small and medium sized businesses, independent owner operators, and national motor carriers range from delivery services to passenger carriers - as well as allied industry partners.

The HTA Hawaii respectfully opposes HB 2022 HD1. This measure specifies that the county annual vehicle registration fee shall not exceed the state annual motor vehicle registration fee; specifies that the counties are required to spend a certain portion of the collected revenues from county motor vehicle registration fees and weight tax on roadway repair and maintenance; specifies that the county annual vehicle weight tax shall not exceed the state annual vehicle weight tax; and is effective 7/1/3000.

While framed as a structural adjustment, this proposal would effectively increase the cost of vehicle registration for residents and businesses across the State and impose a disproportionate burden on working families, small businesses, and commercial transportation operators. It will have a disproportionate impact on those with a fixed income like our kūpuna, low-income workers, small business owners and our independent truck drivers.

Under existing law, state and county registration fees are separately structured. Counties retain discretion to set fees based on vehicle classifications, infrastructure needs, and fiscal conditions. This measure removes that flexibility by mandating fee parity with the state. By mandating fee parity, this bill would require counties to match the state fee level regardless of local budget considerations or economic conditions.

For example, if the state registration fee for a standard passenger vehicle is \$45, counties would be required to set their fee at \$45 as well. A vehicle owner currently paying \$45 (state) + \$30 (county) = \$75 annually could see that increase to \$90 annually. For households with multiple vehicles, this increase compounds quickly. A family with three registered vehicles could see an additional \$45 per year in recurring costs. For households with multiple vehicles, the impact compounds as 2 vehicles would be an additional \$30 annually; 3 vehicles would be an additional \$45 annually; and 4 vehicles would be an additional \$60 annually. In an environment where residents are already facing high housing, utility, insurance, and fuel costs, even modest annual increases have material impact.

Residents in Kauai County, Hawai'i County and Maui County rely heavily on personal vehicles due to limited public transportation infrastructure. Unlike Honolulu, where public transit options are more available, many rural communities have no viable alternatives. An increase in registration fees operates as a mobility surcharge on those who must drive to access employment; transport children; obtain medical care; and operate agricultural or rural businesses to name a few. This policy has the potential to disproportionately affect those with the fewest alternatives.

From a commercial transportation standpoint, this measure presents a substantial operational cost increase. Commercial vehicles are often registered at higher weight classifications, meaning heavier vehicles already pay significantly more in registration fees. A mandated fee parity structure magnifies increases across fleet

operations. For example, if registration increases by even \$20–\$40 per vehicle annually, that represents \$160–\$320 in additional recurring overhead for small local businesses with 8 work trucks. Mid-Sized Trucking Company with 25 commercial vehicles would see an increase of \$50 per vehicle that translates to \$1,250 annually in additional fixed costs. Delivery and Logistics Operators who have a fleet-based businesses operate on tight margins. Registration increases add to cumulative burdens including rising diesel prices; insurance premium increases; parts and maintenance inflation; and compliance costs. These costs are not absorbed in isolation. They are passed through higher freight rates, delivery charges, and construction costs, ultimately affecting consumers statewide and making Hawaii’s cost of living even more expensive.

Furthermore, commercial operators in Hawai’i already face higher operating costs compared to mainland counterparts due to shipping, fuel, and regulatory expenses. Increasing registration costs in raises barriers to entry for small owner-operators; reduces competitiveness of local trucking and logistics companies; and discourages fleet expansion or vehicle replacement investments. For independent CDL drivers and small fleet owners, every recurring fixed cost directly impacts viability.

Mahalo for this opportunity to testify.

HB-2022-HD-1

Submitted on: 3/20/2026 1:14:46 PM

Testimony for EIG on 3/24/2026 3:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry, COMMENT PAUSE UNTIL THE IRAN WAR IS OVER. THIS BILL WILL CREATE ADDITIONAL STRAIN ON THE MOTOR VEHICLE/TRUCKING INDUSTRY AND OWNERS.

2022 HB RELATING TO MOTOR VEHICLE REGISTRATION.

PAUSE UNTIL THE IRAN WAR IS OVER!