

MAR 16 2026

SENATE RESOLUTION

REQUESTING THE CITY AND COUNTY OF HONOLULU'S DEPARTMENT OF BUDGET AND FISCAL SERVICES, IN CONSULTATION WITH THE DEPARTMENT OF CUSTOMER SERVICES, TO STUDY THE FISCAL AND POLICY IMPACT OF THE ACTIVE-DUTY MILITARY VEHICLE WEIGHT TAX EXEMPTION.

1 WHEREAS, under federal law, including the Servicemembers
2 Civil Relief Act (50 U.S.C. § 4001), nonresident active-
3 duty military personnel stationed in Hawaii are exempt from
4 certain state and local personal property taxes, including motor
5 vehicle weight taxes; and

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7 WHEREAS, Hawaii law further provides vehicle weight tax
8 exemptions for certain active-duty military personnel and
9 members of the National Guard and Reserves under HRS § 249-6.5;
10 and

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12 WHEREAS, according to the City and County of Honolulu's
13 Department of Customer Services, in early 2025, there were
14 54,764 active-duty service members stationed at a military
15 installation on Oahu who are residents of another state,
16 or spouses who claim the same legal residence of a member of the
17 U.S. Armed Forces on active duty on Oahu, who were exempted from
18 payment of County of Honolulu and Hawaii motor vehicle weight
19 taxes, and certain other fees, for vehicles registered in their
20 name; and

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22 WHEREAS, their exemptions specifically apply to
23 the Honolulu County vehicle weight tax, state weight tax, state
24 registration fee, highway beautification fee, and if applicable,
25 the electric vehicle/hybrid/alternative fuel vehicle fee; and

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27 WHEREAS, as road maintenance and infrastructure costs
28 continue to rise, there is increasing pressure on state
29 and county revenue sources; and

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1 WHEREAS, the vehicle weight tax, representing the largest
2 component of fees and taxes related to vehicle registration,
3 is a significant source of revenue for county transportation
4 infrastructure, road maintenance, and related public services;
5 and

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7 WHEREAS, the number of active-duty military personnel
8 stationed on Oahu is substantial relative to the island's total
9 population; and

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11 WHEREAS, equity in tax policy requires periodic review to
12 ensure fair distribution of the costs of public infrastructure
13 among all users of state and county roads; and

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15 WHEREAS, the fiscal impact of the military vehicle weight
16 tax exemption on the City and County of Honolulu has not
17 recently been comprehensively analyzed in a publicly available
18 report; now, therefore,

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20 BE IT RESOLVED by the Senate of the Thirty-third
21 Legislature of the State of Hawaii, Regular Session of 2026, the
22 City and County of Honolulu is requested to conduct a study
23 examining the fiscal and policy impacts of the active-
24 duty military vehicle weight tax exemption; and

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26 BE IT FURTHER RESOLVED the study is requested to include,
27 but not be limited to:

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29 1. The number of active-duty military members and the
30 associated vehicles for which they claim exemptions within
31 the City and County of Honolulu;
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33 2. The estimated annual amount of county vehicle weight
34 tax revenue and state vehicle weight tax revenue foregone
35 as a result of the exemption over the past five fiscal
36 years;
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38 3. A projection of anticipated revenue impacts over the next
39 five fiscal years;
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41 4. Administrative costs associated with implementing and
42 verifying eligibility for the exemption;



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5. An assessment of the proportion of total registered vehicles represented by exempted military vehicles; and

6. Identification of any federal legal constraints affecting the County's authority in this area; and

BE IT FURTHER RESOLVED the City and County of Honolulu is requested to transmit a report of its findings and any recommendations to the Legislature no later than twenty days prior to the Regular Session of 2027; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to certified copies of this Resolution be transmitted to the Mayor of the City and County of Honolulu and the Director of Budget and Fiscal Services of the City and County of Honolulu.

OFFERED BY:

A handwritten signature in black ink, consisting of a large, stylized initial 'B' followed by a smaller, more legible name.