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COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 3, 2020

TO:

The Honorable Lorraine R. Inouye, Chair

Senate Committee on Transportation

FROM:

Alice L. Lee

Council Chair

SUBJECT: HEARING OF FEBRUARY 5, 2020; TESTIMONY IN SUPPORT OF

SB 2687, RELATING TO TAXATION

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to increase the rental motor vehicle surcharge tax from \$5 to \$8 per day, or any portion of a day that a rental motor vehicle is rented or leased, in counties experiencing a high number of motor vehicle rentals, and with a resident population of more than 125,000, but less than 195,000. The revenue generated will be used to fund county projects that increase highway capacity and relieve traffic congestion.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

- 1. This measure would directly impact Maui County as the resident population falls between 125,000 and 195,000. In 2019, the number of visitors surpassed 3 million. This influx of individuals, along with their rental vehicles, has had significant impacts on roadways and roadway congestion.
- 2. This measure would allow Maui County to increase the tax on rental vehicles and use the additional revenues to improve road quality, increase highway capacity, and relieve traffic.

For the foregoing reasons, I **support** this measure.