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DEPARTMENT OF CUSTOMER SERVICES
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CITY AND COUNTY OF HONOLULU

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July 13, 2026

The Honorable Val A. Okimoto, Chair
and Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

Dear Chair Okimoto and Councilmembers:

SUBJECT: Testimony on Bill 47 (2026) Relating to the Motor Vehicle Weight Tax
HEARING: Tuesday, July 14, 2026, 9:00 a.m.

The Department of Customer Services (CSD) **opposes** Bill 47 (2026) Relating to the Motor Vehicle Weight Tax, which amends Section 15A-3.1, Revised Ordinances of Honolulu 2021, to reduce the cents per pound of vehicle net weight for passenger vehicles, trucks or noncommercial motor vehicles having a net weight of 6,500 pounds or less, and trucks or commercial vehicles.

CSD recognizes the Council's intent to provide tax relief to vehicle owners. However, based on preliminary estimates, the measure would reduce annual revenues by approximately **$20 million to $30 million**, depending on vehicle registrations and fleet composition. This reduction in revenue will result in a significant loss of funds dedicated to the City's critical transportation infrastructure including:

1) Improvement, repair, and maintenance of public roads and highways;
2) Installation, maintenance, replacement, and repair of street lights and power;
3) Traffic control and preservation of safety on public highways and streets;
4) Functions connected with mass transit; and
5) Improvement, repair, and maintenance of bikeways.

In addition to the financial impact, implementation of the proposed changes will require substantial modifications to the City's motor vehicle registration systems, fee calculation processes, cashiering functions, online services, customer notices, forms, testing procedures, and staff training. These changes must be carefully designed, programmed, tested, and validated to ensure the accurate assessment and collection of vehicle taxes and to avoid disruptions to public services.

CSD appreciates the opportunity to provide testimony on Bill 47 (2026).

Sincerely,

Digitally signed by Johnson, Megan
Date: 2026.07.13 09:41:39 -10'00'

for Kimberly M. Hashiro
Director

APPROVED:

Krishna F. Jayaram, Managing Director Designate
Office of the Managing Director