

# MINUTES

of the

## PUBLIC HEARING HELD ON

MAY 15, 2015

THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, CONVENED A PUBLIC HEARING ON FRIDAY, MAY 15, 2015, AT 9:04 A.M., IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII WITH CHAIR MICHAEL B. WHITE PRESIDING, FOR THE PURPOSE OF RECEIVING TESTIMONY ON THE PROPOSED RESOLUTION ENTITLED:

"ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2015"

CHAIR WHITE: This meeting of the County Council will please come to order. Members, pursuant to Section 243-5, Hawaii Revised Statutes, and Section 3.20.010, Maui Code, the County Council proposes to set the County Fuel Tax rates.

The purpose of this public hearing is to receive public testimony on the proposed resolution entitled: "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2015".

Mr. Clerk, can you please call the roll?

### ROLL CALL

PRESENT: COUNCILMEMBERS GLADYS C. BAISA, ELEANORA COCHRAN, DONALD G. COUCH JR., S. STACY CRIVELLO, G. RIKI HOKAMA, MICHAEL P. VICTORINO, AND CHAIR MICHAEL B. WHITE.

EXCUSED: COUNCILMEMBER ROBERT CARROLL AND VICE-CHAIR DONALD S. GUZMAN.

There were 10 members of the public in attendance.

COUNTY CLERK DENNIS A. MATEO: Mr. Chair, we have seven Members present and two excused; quorum is present to conduct the business of the Council.

### NOTICE OF PUBLIC HEARING

CHAIR WHITE: Thank you, Mr. Clerk. Was the Notice of Public Hearing properly published?

COUNTY CLERK: Mr. Chair, Notice of this Public Hearing on the proposed resolution "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2015", was published in the May 7, 2015, and the May 10, 2015, issues of the Maui News, respectively.

CHAIR WHITE: Thank you, Mr. Clerk. Let's, please proceed.

COUNTY CLERK: Mr. Chair, proceeding with presentation of public testimony. We have three individuals that have signed up to provide testimony this morning.

We have established limited telephone interactive communications that enables individuals from Hana, Lanai, and Molokai to provide testimony from the District Offices.

Individuals who wish to offer testimony from Hana, Lanai, and Molokai, should now sign up with the District Office staff. Individuals who wish to offer testimony in the chamber, please sign up at the desk located on the eighth floor lobby just outside the chamber door. Testimony at all locations is limited to the item listed on today's agenda.

And pursuant to the Rules of the Council, each testifier is allowed to testify for up to three minutes with one minute to conclude if requested. When testifying, please state your name and the name of any organization you represent.

Hana Office, please identify yourself and introduce your first testifier.

MS. DAWN LONO: Good morning. This is Dawn Lono at the Hana Office and there is no one waiting to testify.

COUNTY CLERK: Thank you.

Lanai Office, please introduce yourself and introduce your first testifier.

MS. DENISE FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

COUNTY CLERK: Thank you.

Mr. Chair, the Hana Office is unavailable at, excuse me, the Molokai Office is unavailable at this time.

Mr. Chair, we have three individual, four individuals who have signed up to provide testimony this morning. The first individual is Mr. William Bill Kinaka, to be followed by Tom Croly.

CHAIR WHITE: Mr. Kinaka.

### PRESENTATION OF WRITTEN OR ORAL TESTIMONY

#### MR. WILLIAM BILL KINAKA:

Good morning, Chairman White and Councilmembers. My name is Bill Kinaka, a taxpayer here on Maui, and I want to publicly express my support for the Council's proposal to increase the County Fuel Tax rate to \$.18 per gallon for gasoline. Too often people want something for nothing. They want government to provide more services and programs for their benefit, but they don't want to pay for them. I believe that is wrong.

I also believe that it is wrong for the owners of electrical vehicles to have a free ride by not contributing a penny to the fuel tax fund that is collected and used to design, construct, improve, repair, and maintain our streets, roads, bridges, sidewalks, and street lights. If the proposed rate is approved, you and I, and every owner of a gasoline driven car in Maui County will be contributing \$.18 per gallon toward the cost of, to provide and maintain the services I just mentioned.

On the other hand, all the electric vehicle owners will enjoy all of the benefits of a well-maintained highway system without paying that \$.18 a gallon fuel tax like the rest of us. Now, that is wrong, truly wrong.

Although I strongly support efforts to reduce the greenhouse gas emissions, and I firmly believe that this is one of the major issues facing mankind in the 21st century, I am strongly against a solution that favors electric vehicle owners and wrongly discriminates against owners who drive gasoline powered vehicles.

Recently I spoke to a service station owner and he told me that the tax on gasoline is about \$.70 a gallon. Depending on how much driving one does, the Federal, State, and County fuel taxes could amount to hundreds or thousands of dollars a year. Since the electric vehicle owners do not buy any gasoline to run their cars, they, in fact, do not pay anything into the fuel tax fund that is used to build and maintain the streets and roads upon which they travel every day. Why should the electric vehicle owners have a free ride at the expense of the owners of gasoline vehicles?

The Council should look into imposing a special annual fee on each electric vehicle, said money to be deposited into the fuel tax account that is funded by you and me through our gasoline purchase. Since more and more electric vehicles are coming on the scene every year, time is of the essence. You need to take a stand and declare every vehicle using our roads should pay its fair share; no more free ride for electric vehicle owners.

Thank you, Mr. Chair.

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR WHITE: Thank you, Mr. Kinaka. Hold on just a second.

Members, questions for the testifier?

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you. And, thank you, Mr. Kinaka for being here. First of all, thank you for your support. It's unusual that someone will come in and openly support an increase. But, you realize that it's just taking it back to what we had back in 2008, the gas tax, right? Okay, we lowered it back then and so we're returning it.

And, the \$.70 that you referred to, Mr. Hokama and I just returned from Washington D.C., and the discussion now is how do we maintain and have enough funds for our infrastructure throughout the United States? There is a tremendous deficiency and you're well aware of that right?

MR. KINAKA: Good. Yes.

COUNCILMEMBER VICTORINO: You know that we have not touched the Federal tax since 1993? It has not changed. So, that's nearly 22 years, no change, okay.

MR. KINAKA: Wow.

COUNCILMEMBER VICTORINO: I want the public to hear this cause it's really me telling you, but I want the public to hear this. And more importantly, I agree with you. Somehow all these alternative vehicles, we have to figure out a way to tax them so that they use the same roadways, like you said, same bridges, same thoroughfares throughout this County.

MR. KINAKA: Yes. Exactly, yes.

COUNCILMEMBER VICTORINO: The last question I have for you is, do you see, you said \$.70 equals thousands of dollars depending how much you use. I think if you did a calculation how much gas you use and people like yourself, how much do you think it would be, you personally paying each year additional \$.70 or \$.70 total?

MR. KINAKA: Yea, I'm so, Mr. Victorino, I'm sorry I did not do that calculation. I'm just talking about generalities about the unfairness of electric car vehicle owners not putting any penny into the fuel tax fund.

COUNCILMEMBER VICTORINO: I wholeheartedly agree with you and it's something we need to do--

MR. KINAKA: Yes.

COUNCILMEMBER VICTORINO: --not only locally, but nationally.

MR. KINAKA: Thank you. Thank you very much. I appreciate that and I'm impressed that it has been looked upon and will be, something hopefully will be done soon.

COUNCILMEMBER VICTORINO: Yes, thank you, Mr. Kinaka.

MR. KINAKA: Thank you.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

CHAIR WHITE: Mr. Couch, followed by Ms. Cochran.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Thank you, Mr. Kinaka, for being there. Yea, your comments about electric cars has been discussed quite a bit. The question I have for you is, in order to make it I guess more fair for everybody, even those who are driving regular gas vehicles, if we took away all of the fuel tax and charged everybody a, per mile either every six months or, or once a year, would that be a more--

MR. KINAKA: Fair.

COUNCILMEMBER COUCH: --a use, a use fee of the roads, would that be more fair?

MR. KINAKA: That would be one of the solutions I had in mind, you know, the mileage. Or, like every year the electric vehicles when they have their annual check-up, yea, the automotive people could take the mileage and next year the mileage, how many miles have they run the past year. And, they could be assessed so much per mile.

Another possibility would be, I don't know what the rates are, but say the income from fuel tax and the vehicle weight tax, say if they're about the same, if you do away with the fuel tax, you just double the weight tax. You know, and those are different ways of skinning the cat or find some kind of average. But, anyway, something should be done that everybody should contribute to maintaining a highway.

In fact, the people down on Kaohu said when are we going to get a new paved road on Kaohu? Right behind your backyard, you know, cause no more money I guess.

COUNCILMEMBER COUCH: Okay, thank you. Thank you, Chair.

CHAIR WHITE: Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair. And, aloha, good morning, Mr. Kinaka.

MR. KINAKA: Good morning, yes.

COUNCILMEMBER COCHRAN: Thank you for being here. But, Mr. Couch touched on the questions that I had in your last paragraph imposing a special annual fee on each electric vehicle. And, my question was going to be like a, what have you thought of on how to do that, like a flat rate across the board. And, again, as was already mentioned the annual odometer reading perhaps or something of that nature. So, thank you, you addressed what my question was going to be.

MR. KINAKA: And, I, I think your auditors or people with financial know-how can somehow, you know, malamalama or massage something that would come out that'd be fair. I'm not against people getting, driving a car without having to buy gasoline and they get free charge from the County or from Kaahumanu, whatever. Hey, more power to them. But, in a way it's shocking that they don't pay anything to maintain the road.

COUNCILMEMBER COCHRAN: Right. Well, thank you very much.

MR. KINAKA: Sure.

COUNCILMEMBER COCHRAN: And, again we have been discussing this.

MR. KINAKA: Good. I'm very--

COUNCILMEMBER COCHRAN: So, thank you for your input.

MR. KINAKA: Yea, I'm happy to hear that it is being discussed and being worked on.  
Thank you.

Thank you, Mr. Chairman.

COUNCILMEMBER COCHRAN: Chair, thank you.

CHAIR WHITE: Thank you, Mr. Kinaka.

Mr. Clerk.

COUNTY CLERK: Next testifier is Mr. Tom Croly, to be followed by Valerie Sisneros.

MR. TOM CROLY:

Aloha, Council. Thank you for your hard work on the budget. And, I too am here to support the, the \$.02 per gallon increase in the, in the fuel tax. And, every year you learn something when you, when you watch the budget. And, I learned and I was, I was pleased this year to see that those funds that, you know, go into the fuel tax and also the weight tax which you'll be talking about later, go directly to our roads.

And, I can't think of a more fair way to do it, notwithstanding the electric car conundrum there. But, the idea that someone who uses the roads more, therefore, burns more fuel, pays more of the tax. I calculated it for myself and this \$.02 increased means I pay \$12.00 more a year. I am more than happy to pay \$12.00 more a year in my fuel tax in order to ensure that you have the funds to, to take care of the roads.

I, the other tax that you'll talk about at, at the next session is the weight tax. And, I will point out that electric vehicles, by virtue of their batteries, do weigh more, and therefore will pay a little bit more in, in, in that tax.

Mr. Victorino asked, what does it come out to for the whole year? For, for me, if, if it was \$.70 per, per mile that I'm paying in tax, it's about \$1,000.00 that I pay overall because I don't drive a lot of miles. And, you know what, if that, if that is what it takes to, to keep good roads, I, again I am more than happy to pay that. I think the way this is structured is pretty fair, again, notwithstanding the, the electrical vehicle thing. And, we have to think about that. But, I'm in full support of this increase. Thanks.

CHAIR WHITE: Thank you, Mr. Croly. Members, any questions for the testifier? Seeing none, thank you for coming this morning, Mr. Croly.

Mr. Clerk.

COUNTY CLERK: The next testifier is Valerie Sisneros, to be followed by Larry Quimby.

MS. VALERIE SISNEROS:

Good morning. I've never done this before. I'll be a little nervous and not very professional, I suppose. I don't have any speeches planned or anything. I just want to say I do drive a lot. I have a--

COUNCILMEMBER VICTORINO: Can you bring it closer?

MS. SISNEROS: Sure. I have, is that better?

COUNCILMEMBER VICTORINO: Yes.

MS. SISNEROS: I have a, my own business and I do service calls all day so I'm on the road a lot and I put gas in my vehicle twice a, about twice a week. And, I can say that having this brief reprieve from the, with the gas prices being lower, it has been really helpful for everyone who, for everyone of course. But, where I'm paying \$45.00 to fill up my tank instead of \$80.00, it's been really helpful.

And, to me, raising, I, I don't know, I was just really raised to live within my means. I don't get to get extra money just because you guys asked for more money. So, and, and not that most people don't. They're kind of set in the amount of money that they make. I, I would like to hear cause I don't really know what I, don't know what the money is, why you're asking for this money. I mean, \$.02 a gallon doesn't sound like much but it's on top of that fuel rate, fuel tax. I mean, it's on top of all the other taxes.

It's not, I can't look at it with just one little, as one little thing. It's just the, the burdensome taxation and regulation here on, on, in Hawaii is just, it's in the, well, I, I'm going to try not to digress. But, having to comply with everything and, it's just overwhelming for businesses and for individuals. But, I don't really understand why, why you need to raise the tax. I just think it's just too, it's just too much. I feel like we pay enough. And, to be asking for it here and there, and here and there, it's just, where are we supposed to come up with that money?

And, it seems that it would make sense that the more that I have in my pocket, the more I'm, the more you guys leave me in my pocket, I get to go spend it at local businesses. I get to go eat out, I get to go to a movie, I get to go do things. You



keep taking that money, I can't buy new things, I can't do, you know, I, then everything goes in my gas tank, or everything goes into, it's just, the more money I have, the better the economy does because I get to go spend it.

And, I, again, I've never done this before. I'm really happy for all you guys that, you know, do this job. It's really important. I just appreciate what you do. But, I, that's how I feel. I feel like we really are taxed enough already. And, just to keep, where are we supposed to come up with it. And, that's what I don't, I don't understand. Thank you.

CHAIR WHITE: Thank you, Ms. Sisneros.

Members, any questions for the testifier? Seeing none, thank you for coming this morning.

MS. SISNEROS: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: The next individual to testify is Larry Quimby.

MR. LARRY QUIMBY:

Chairman White, Council, thank you for allowing me to come and testify and for hearing my testimony.

As you can tell by my attire, I am opposed to the tax.

CHAIR WHITE: If you could mention your name for the record.

MR. QUIMBY: Oh, I'm sorry, Larry Quimby.

CHAIR WHITE: Thank you.

MR. QUIMBY: And, this also is my first time for testimony. But, I would like to reiterate what the initial testifier had mentioned is people keep wanting more and more services, but nobody wants to pay taxes. So, we keep adding services. But, we never stop any of the old services. There are no cuts.

I understand the need for the roads improvement here on Maui. I live in Honokowai. I drive Lower Honoapiilani Highway daily when I go to work. And, it's a mish mash of potholes and repairs. So, I understand the need for road improvements.

I also want to reiterate that Maui County already pays, citizens of Maui County already pay the highest rate for gasoline in the State. It's not by two, just by \$.02. We're, sure I understand, okay, \$.02. So, you fill up your tank, you've got ten gallons, that's what \$.20? But somewhere along the line there is going to be that straw that breaks the camel's back. And, I would like you to consider that as well.

This is the peoples' money. I do not envy your position. People are asking we want this, we want that, and then they're coming back and saying well, but I don't want to pay for it. So, perhaps the solution is to look into other ways to reduce the County's expenses. That's all I have at this time, so thank you very much for letting me testify.

CHAIR WHITE: Thank you, Mr. Quimby.

Members, any questions for the testifier? Thank you very much for being here this morning.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, there is no additional individuals signed up to provide testimony in the Council chamber. If there is any additional individuals in the Council chamber or at the District Offices that would like to provide testimony, please identify yourself to the appropriate staff and proceed to the testimony lectern or District Office phone at this time.

Hana Office, are there any additional testifiers?

MS. LONO: The Hana Office has no one waiting to testify.

COUNTY CLERK: Lanai Office, are there any additional testifiers?

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

COUNTY CLERK: Mr. Chair, there are no individuals either in the District Offices or the chamber that wish to provide testimony at this, at this time.

Mr. Chair, oh, Mr. Chair, we're going to go to Molokai. They are now available.

Molokai, are there any individuals wishing to provide testimony?

MS. ELLA ALCON: There's no one here on Molokai waiting to testify.

COUNTY CLERK: Thank you.

Mr. Chair, that concludes testimony at this time.

CHAIR WHITE: Thank you, Mr. Clerk. Have we received written testimony?

COUNTY CLERK: Mr. Chair, we have received written testimony.

CHAIR WHITE: Members, without objection, we'll ask the Clerk to put the written testimony into the record.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you. So ordered.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY  
RECEIVED FROM WILLIAM T. KINAKA WAS MADE A PART  
OF THE RECORD OF THIS MEETING.

CHAIR WHITE: With no objections, we'll close public testimony for the day.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you very much.

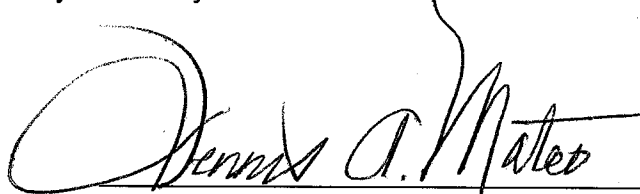
Mr. Clerk.

COUNTY CLERK: Mr. Chair, there is no additional business for the Council.

CHAIR WHITE: Thank you very much. With that, Members, we will be back here at 10:00 for our public hearing on the Weight Tax. So, this meeting is adjourned.

### ADJOURNMENT

The public hearing of *MAY 15, 2015*, was adjourned by the Chair at 9:25 a.m.



DENNIS A. MATEO, COUNTY CLERK  
COUNTY OF MAUI, STATE OF HAWAII