

PUBLIC HEARING

JANUARY 24, 2018

A public hearing of the Council of the County of Kaua'i was called to order by Arryl Kaneshiro, Chair, Budget & Finance Committee, on Wednesday, January 24, 2018, at 1:31 p.m., at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Lihu'e, and the presence of the following was noted:

Honorable Mason K. Chock
Honorable Ross Kagawa
Honorable Arryl Kaneshiro
Honorable Derek S.K. Kawakami
Honorable JoAnn A. Yukimura (*present at 1:32 p.m.*)
Honorable Mel Rapozo

Excused: Honorable Arthur Brun

The Clerk read the notice of the public hearing on the following:

“Resolution No. 2017-74 – RESOLUTION DETERMINING THE COUNTY OF KAUAI FUEL TAX RATE AND REPEALING RESOLUTION NO. 2013-47, DRAFT 3,”

which was ordered to print by the Council of the County of Kaua'i on December 20, 2017, and published in The Garden Island newspaper on January 3, 2018 and January 10, 2018; and

“Bill No. 2679 – A BILL FOR AN ORDINANCE AMENDING SECTION 5-1.1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE COUNTY FUEL TAX,

which was ordered to print by the Council of the County of Kaua'i on December 20, 2017, and published in The Garden Island newspaper on January 3, 2018.

The following communications were received for the record:

1. McMahon, Kevin (Resolution No. 2017-74), dated January 16, 2018
2. Mohamad, Ana, dated January 24, 2018

The hearing proceeded as follows:

SCOTT K. SATO, Deputy County Clerk: We have one (1) written testimony in opposition, one (1) providing comments, and we have three (3) registered speakers. The first speaker is Alice Parker, followed by Jerome Freitas.

Committee Chair Kaneshiro: This is regarding the fuel tax reduction.

(Councilmember Yukimura was noted as present.)

ALICE PARKER: Alice Parker, for the record. You know my stance on this. I am really upset. How can you take away with one (1) hand, and then give with the other? It smells of "political pandering" frankly, and I am really dismayed. We really need all the money we can get to fix the roads, and if you give us the money by decreasing taxes, we are just going to end up repairing our vehicles. Let us tighten our belts and fix the roads and transportation. Thank you.

Committee Chair Kaneshiro: Thank you, next speaker.

Mr. Sato: The next speaker is Jerome Freitas, Sr., followed by Glenn Mickens.

JEROME FREITAS, SR.: Good afternoon, Chair Mel Rapozo, Vice Chair Ross Kagawa, Councilmembers, and Staff. I recall that about two (2) months ago, the Administration came to the Council saying that they wanted to raise the General Excise Tax (GET) to about one-half percent (0.5%) or something like that. So that collects twenty-five million dollars (\$25,000,000) a year. That was strictly for the roads and bus transportation, right? This is a fuel tax, right? You are going to drop it about four cents (\$0.04) per gallon or something like that, right? Why do that all of a sudden? I thought we do not have any money, and all of a sudden, we drop this and that. Who is going to benefit from that? I guess the people with the big businesses, right? The ones that own the big rigs and all of that. They are the ones who are going to benefit from that. I only have two (2) cars, so it is not going to affect me that much. Why now? I do not understand. There is no money at one point, and then the next we can give back the moneys like that. To me, it is not a good idea. That is all I am saying. Thank you for giving me the opportunity to speak.

Mr. Sato: Our last speaker is Glenn Mickens.

GLENN MICKENS: For the record, Glenn Mickens. On January 1, 2019, our County of Kaua'i surcharge on State tax will be raised one-half percent (0.5%) to bring in about twenty-five million dollars (\$25,000,000) a year for basically repaving our roads...I say "basically." In turn, the County is throwing the taxpayers a bone by dropping the vehicle weight tax one cent (\$0.01) per pound and our fuel tax by four cents (\$0.04) per gallon, to give the vehicle users about a four million dollar (\$4,000,000) credit or whatever you want to call it. Thus, we are adding a net cost of twenty-one million dollars (\$21,000,000) to everyone, vehicle user or not, by this excise in fuzzy math. Neither bill stipulates an expiration date on this new tax telling us when the old rates will be imposed and the new twenty-one million dollars (\$21,000,000) will be eliminated. When are we ever going after the waste of the system before taking the easy way out and just raising the tax on the already overburdened people? Hopefully the next elections will have candidates to tell us these answers and let us know who we should vote for. My suggestion is that you revise the excise tax and give the taxpayers the relief of four million

dollars (\$4,000,000) on a fuel and weight tax. Just use the bulk...I know that Councilmember Kagawa keeps talking about not being able to have your cake and eat it, too, but why not just take the bulk of that seventeen million dollars (\$17,000,000), taking it from our fuel and weight tax to pave our roads and not have the money go elsewhere? In other words, you know as a historic reason, our moneys that go for a certain issue is not used for that. It gets into a pot someplace and it gets diluted someplace else. So if history has shown that it does not happen, why should we believe that adding twenty-five million dollars (\$25,000,000) now to supposedly our roads is going to go to our roads? It is just not going to happen. Anyway, these are my suggestions. Again, when we are taking in seventeen million dollars (\$17,000,000) a year basically for our roads and only one million two hundred thousand dollars (\$1,200,000) of that is actually paving our roads, there is something wrong there. One is about one-seventeenth of what we are taking in that is specified for our roads. Nobody is going to disagree; our roads are horrendous. They definitely need fixing. The potholes in our roads cannot even be fixed properly. They put cold mix in the hole and do not compact it or anything. It is not level with the road and it is almost as bad as it was when the pothole was there. These things have to be taken care of. Thank you.

Committee Chair Kaneshiro: Any other speakers? Anyone want to go a second time? From indications I have been getting, we may be looking at a receipt of this Bill and Bill No. 2680 when it hits the Committee. Is there anyone else wishing to testify? If not, this public hearing is now closed. Thank you.

There being no further testimony, the public hearing adjourned at 1:38 p.m.

Respectfully submitted,



SCOTT K. SATO
Deputy County Clerk

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