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# A BILL FOR AN ACT

RELATING TO DISPOSITION OF TAX REVENUES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that budgetary planning  
2 and transparency are key components to ensuring the ongoing  
3 fiscal health of the State.

4           The purpose of this Act is to address budgetary planning  
5 and transparency in the disposition of conveyance tax revenues  
6 by:

7           (1) Setting maximum amounts to be distributed to various  
8 non-general funds from the conveyance tax; and

9           (2) Appropriating general funds to provide continued  
10 support of programs either similar to or previously  
11 supported by distributions to the natural area reserve  
12 fund and its associated programs from conveyance tax  
13 revenues.

14           By establishing maximum amounts for distribution among the  
15 non-general funds, the legislature intends that this Act:

16           (1) Make forecasts of general fund revenues more reliable;



- 1           (2) Increase legislative oversight of the agencies and
- 2                   programs supported by the non-general funds; and
- 3           (3) Subject those agencies and programs to competition for
- 4                   limited public funds if the agencies or programs want
- 5                   more than the amount automatically distributed to
- 6                   their non-general funds.

7           SECTION 2. Section 195F-4, Hawaii Revised Statutes, is  
8 amended by amending subsection (a) to read as follows:

9           "(a) There is established a special fund within the state  
10 treasury known as the forest stewardship fund which shall be  
11 used as follows:

- 12           (1) Payments shall be made by the board pursuant to
- 13                   agreements entered into with qualified landowners to
- 14                   further the purposes of this chapter; and
- 15           (2) Moneys collected from:
  - 16                   (A) The harvest of non-native forest products from
  - 17                           forest reserves;
  - 18                   (B) The harvest of native forest products from
  - 19                           degraded forests as defined in section 186-5.5,
  - 20                           within forest reserves;



1 (C) The sale of forest products found dead and lying  
2 on the ground;

3 (D) The sale of tree seedlings from state nurseries;

4 (E) The sale of any other products or services, or  
5 anything of value derived from forest reserves  
6 not described above; or

7 (F) The imposition of fines or penalties for  
8 violations of this chapter and chapters 183 and  
9 185 or any rule adopted thereunder;

10 shall be used for: (i) replanting, managing, and  
11 maintaining designated timber management areas; (ii)  
12 enhancing the management of public forest reserves  
13 with an emphasis on restoring degraded koa forests;  
14 and (iii) developing environmental education and  
15 training programs pertaining to sustainable forestry;  
16 provided that the activities described in clauses (ii)  
17 and (iii) may not be funded unless the activities  
18 described in approved management plans pertaining to  
19 clause (i) are adequately funded[; and

20 ~~(3) Moneys deposited into the fund as authorized by~~  
21 ~~section 247-7 may also be used by the department to~~



1           ~~administer the program and manage the forest reserve~~  
2           ~~system]."~~

3           SECTION 3. Section 247-7, Hawaii Revised Statutes, is  
4 amended to read as follows:

5           "**§247-7 Disposition of taxes.** All taxes collected under  
6 this chapter shall be paid into the state treasury to the credit  
7 of the general fund of the State, to be used and expended for  
8 the purposes for which the general fund was created and exists  
9 by law; provided that of the taxes collected each fiscal year:

10           (1) Ten per cent or \$6,800,000, whichever is less, shall  
11 be paid into the land conservation fund established  
12 pursuant to section 173A-5; and

13           (2) [~~Twenty five per cent from July 1, 2009, until~~  
14 ~~June 30, 2012; thirty per cent from July 1, 2012,~~  
15 ~~until June 30, 2014; and fifty] Fifty per cent [~~in~~  
16 ~~each fiscal year thereafter] or \$38,000,000, whichever  
17 is less, shall be paid into the rental housing trust  
18 fund established by section 201H-202 [~~and~~~~~~

19           ~~(3) Twenty per cent from July 1, 2009, until June 30,~~  
20 ~~2012, and twenty five per cent in each fiscal year~~  
21 ~~thereafter shall be paid into the natural area reserve~~



1 ~~fund established by section 195-9; provided that the~~  
2 ~~funds paid into the natural area reserve fund shall be~~  
3 ~~annually disbursed by the department of land and~~  
4 ~~natural resources in the following priority:~~

5 ~~(A) To natural area partnership and forest~~  
6 ~~stewardship programs after joint consultation~~  
7 ~~with the forest stewardship committee and the~~  
8 ~~natural area reserves system commission;~~

9 ~~(B) Projects undertaken in accordance with watershed~~  
10 ~~management plans pursuant to section 171-58 or~~  
11 ~~watershed management plans negotiated with~~  
12 ~~private landowners, and management of the natural~~  
13 ~~area reserves system pursuant to section 195-3;~~  
14 ~~and~~

15 ~~(C) The youth conservation corps established under~~  
16 ~~chapter 193]."~~

17 SECTION 4. All remaining moneys deposited into the forest  
18 stewardship fund, established pursuant to section 195F-4, Hawaii  
19 Revised Statutes, in accordance with section 247-7, Hawaii  
20 Revised Statutes, as of the effective date of this Act, may



1 continue to be used for the administration of forest stewardship  
2 programs and the management of the forest reserve system.

3 SECTION 5. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$7,556,128 or so much  
5 thereof as may be necessary for fiscal year 2015-2016 and the  
6 same sum or so much thereof as may be necessary for fiscal year  
7 2016-2017 for natural area reserves and watershed management  
8 (LNR407) for:

- 9 (1) Natural area partnership and forest stewardship  
10 programs after joint consultation with the forest  
11 stewardship committee and the natural area reserves  
12 system commission;
- 13 (2) Projects undertaken in accordance with watershed  
14 management plans pursuant to section 171-58, Hawaii  
15 Revised Statutes, or watershed management plans  
16 negotiated with private landowners, and management of  
17 the natural area reserves system pursuant to section  
18 195-3, Hawaii Revised Statutes; and
- 19 (3) The youth conservation corps established under chapter  
20 193, Hawaii Revised Statutes.



1           The sums appropriated shall be expended by the department  
2 of land and natural resources for the purposes of this Act.

3           SECTION 6. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$2,100,000 or so much  
5 thereof as may be necessary for fiscal year 2015-2016 and the  
6 same sum or so much thereof as may be necessary for fiscal year  
7 2016-2017 for forestry resource management and development  
8 (LNR172) for natural area partnership and forest stewardship  
9 programs after joint consultation with the forest stewardship  
10 committee and the natural area reserves system commission.

11           The sums appropriated shall be expended by the department  
12 of land and natural resources for the purposes of this Act.

13           SECTION 7. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$60,000 or so much  
15 thereof as may be necessary for fiscal year 2015-2016 and the  
16 same sum or so much thereof as may be necessary for fiscal year  
17 2016-2017 for ecosystem protection and restoration (LNR401) for  
18 a Hawaii Humpback Whale National Marine Sanctuary co-manager.

19           The sums appropriated shall be expended by the department  
20 of land and natural resources for the purposes of this Act.



1 SECTION 8. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$187,000 or so much  
3 thereof as may be necessary for fiscal year 2015-2016 and the  
4 same sum or so much thereof as may be necessary for fiscal year  
5 2016-2017 for ecosystem protection and restoration (LNR401) for  
6 operating expenses of the Hawaiian Islands Humpback Whale  
7 National Marine Sanctuary and the Papahānaumokuākea Marine  
8 National Monument.

9 The sums appropriated shall be expended by the department  
10 of land and natural resources for the purposes of this Act.

11 SECTION 9. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$1,500,000 or so much  
13 thereof as may be necessary for fiscal year 2015-2016 and the  
14 same sum or so much thereof as may be necessary for fiscal year  
15 2016-2017 for native resources and fire protection program  
16 (LNR402) for fire, natural disaster, and emergency response  
17 equipment.

18 The sums appropriated shall be expended by the department  
19 of land and natural resources for the purposes of this Act.

20 SECTION 10. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$250,000 or so much





1 thereof as may be necessary for fiscal year 2015-2016 and the  
2 same sum or so much thereof as may be necessary for fiscal year  
3 2016-2017 for native resources and fire protection program  
4 (LNR402) for the operations of the Kure Atoll Field Station.

5 The sums appropriated shall be expended by the department  
6 of land and natural resources for the purposes of this Act.

7 SECTION 11. There is appropriated out of the general  
8 revenues of the State of Hawaii the sum of \$1,000,000 or so much  
9 thereof as may be necessary for fiscal year 2015-2016 and the  
10 same sum or so much thereof as may be necessary for fiscal year  
11 2016-2017 for conservation and resource enforcement (LNR405) for  
12 other current expenses, equipment, and motor vehicles.

13 The sums appropriated shall be expended by the department  
14 of land and natural resources for the purposes of this Act.

15 SECTION 12. There is appropriated out of the general  
16 revenues of the State of Hawaii the sum of \$1,161,864 or so much  
17 thereof as may be necessary for fiscal year 2015-2016 and the  
18 sum of \$915,624 or so much thereof as may be necessary for  
19 fiscal year 2016-2017 for conservation and resource enforcement  
20 (LNR405) for personal services, other current expenses,



1 equipment, and motor vehicles for the community fisheries  
2 enforcement units.

3 The sums appropriated shall be expended by the department  
4 of land and natural resources for the purposes of this Act.

5 SECTION 13. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$5,000,000 or so much  
7 thereof as may be necessary for fiscal year 2015-2016 and the  
8 same sum or so much thereof as may be necessary for fiscal year  
9 2016-2017 for natural area reserves and watershed management  
10 (LNR407) for invasive species programs statewide.

11 The sums appropriated shall be expended by the department  
12 of land and natural resources for the purposes of this Act.

13 SECTION 14. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$159,280 or so much  
15 thereof as may be necessary for fiscal year 2015-2016 and the  
16 sum of \$146,730 or so much thereof as may be necessary for  
17 fiscal year 2016-2017 for historic preservation (LNR802) for two  
18 archaeologists III, one burial specialist, and equipment.

19 The sums appropriated shall be expended by the department  
20 of land and natural resources for the purposes of this Act.



1 SECTION 15. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$850,000 or so much  
3 thereof as may be necessary for fiscal year 2015-2016 for  
4 historic preservation (LNR802) for the digitization of all  
5 historic preservation records and the installation of a new  
6 integrated information system.

7 The sums appropriated shall be expended by the department  
8 of land and natural resources for the purposes of this Act.

9 SECTION 16. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$1,500,000 or so much  
11 thereof as may be necessary for fiscal year 2015-2016 and the  
12 same sum or so much thereof as may be necessary for fiscal year  
13 2016-2017 for LNR - natural and physical environment (LNR906)  
14 for the Kahoolawe Island Reserve Commission.

15 The sums appropriated shall be expended by the department  
16 of land and natural resources for the purposes of this Act.

17 SECTION 17. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$101,715 or so much  
19 thereof as may be necessary for fiscal year 2015-2016 and the  
20 same sum or so much thereof as may be necessary for fiscal year



1 2016-2017 for LNR - natural and physical environment (LNR906)  
2 for administrative operating expenses.

3 The sums appropriated shall be expended by the department  
4 of land and natural resources for the purposes of this Act.

5 SECTION 18. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 19. This Act shall take effect on July 1, 2015.



**Report Title:**

Conveyance Tax; Distribution Maximums; Appropriates Funds

**Description:**

Establishes maximum dollar amounts that shall be distributed among certain non-general funds from the conveyance tax. Amends the list of non-general funds that receive distributions from the conveyance tax. Appropriates funds to programs removed from the distribution list. (SB1299 HD1 PROPOSED)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

