
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The purpose of this Act is to:

2 (1) Extend the sunset date of the county surcharge on
3 state tax to December 31, 2047;

4 (2) Divert half of the ten per cent administrative fee
5 collected by the State to transit oriented development
6 projects;

7 (3) Require the Honolulu authority for rapid
8 transportation to complete the entire rail transit
9 project by December 31, 2047, including extensions of
10 the project to Ala Moana Center, to University of
11 Hawaii at Manoa, and downtown Kapolei; and

12 (4) Require the auditor to conduct a financial and
13 management audit of the Honolulu authority for rapid
14 transportation and its rail transit project.

15 SECTION 2. Section 248-2.6, Hawaii Revised Statutes, is
16 amended by amending subsection (a) to read as follows:

17 "(a) If adopted by county ordinance, all county surcharges
18 on state tax collected by the director of taxation shall be paid



1 into the state treasury quarterly, within ten working days after
2 collection, and shall be placed by the director of finance in
3 special accounts. Out of the revenues generated by county
4 surcharges on state tax paid into each respective state treasury
5 special account, the director of finance shall deduct ten per
6 cent of the gross proceeds of a respective county's surcharge on
7 state tax to reimburse the State for the costs of assessment,
8 collection, and disposition of the county surcharge on state tax
9 incurred by the State. Amounts retained shall be general fund
10 realizations of the State[-]; provided that one-half of the
11 amounts retained shall be set aside and dedicated to transit
12 oriented development projects."

13 SECTION 3. Act 247, Session Laws of Hawaii 2005, is
14 amended by amending section 9 to read as follows:

15 "SECTION 9. This Act shall take effect upon its approval;
16 provided that:

17 (1) If none of the counties of the State adopt an
18 ordinance to levy a county surcharge on state tax by
19 December 31, 2005, this Act shall be repealed and
20 section 437D 8.4, Hawaii Revised Statutes, shall be



1 reenacted in the form in which it read on the day
2 prior to the effective date of this Act;

3 (2) If any county does not adopt an ordinance to levy a
4 county surcharge on state tax by [~~December 31,~~
5 ~~2005,~~] _____ it shall be prohibited from
6 adopting such an ordinance pursuant to this Act,
7 unless otherwise authorized by the legislature through
8 a separate legislative act; and

9 (3) If an ordinance to levy a county surcharge on state
10 tax is adopted by [~~December 31, 2005,~~] _____:

11 (A) The ordinance shall be repealed on December 31,
12 [~~2022,~~] 2047;

13 (B) This Act shall be repealed on December 31,
14 [~~2022,~~] 2047; and

15 (C) Section 437D 8.4, Hawaii Revised Statutes, shall
16 be reenacted in the form in which it read on the
17 day prior to the effective date of this Act."

18 SECTION 4. The Honolulu Authority for Rapid Transportation
19 shall complete the entire rail transit project by December 31,
20 2047, including extensions of the project to Ala Moana Center,
21 to the University of Hawaii at Manoa, and downtown Kapolei.



1 SECTION 5. The buildings comprising each rail transit
2 station shall be integrated so that all buildings are physically
3 connected, except at Honolulu International Airport and Pearl
4 Harbor rail stations.

5 SECTION 6. The City and County of Honolulu shall plan
6 transient oriented development to accommodate the anticipated
7 growth in population.

8 SECTION 7. (a) The auditor shall conduct ongoing fiscal
9 and management audits of the Honolulu authority for rapid
10 transportation and its rail transit project.

11 (b) The auditor shall report findings and recommendations
12 of the audit under subsection (a) to the legislature no later
13 than twenty days prior to the convening of the regular session
14 of 2016 and every third session thereafter until the regular
15 session of 2047.

16 SECTION 8. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 9. This Act shall take effect on July 1, 2050.

19



Report Title:

Public Transit; County Surcharge on State Tax

Description:

Diverts half of the ten per cent administrative fee collected by the State to transit oriented development projects. Extends the ability of other counties to adopt a county surcharge on state tax to an unspecified date. Extends the sunset date of the county surcharge on excise tax to December 31, 2047. Requires the Honolulu authority for rapid transportation (HART) to complete the entire rail transit project by December 31, 2047, including extensions of the project to Ala Moana Center, the University of Hawaii at Manoa, and downtown Kapolei. Requires buildings of each rail transit station to be physically connected. Requires city and county of Honolulu to plan transit oriented development to accommodate anticipated population growth. Requires the auditor to conduct a financial and management audit of the HART and its rail transit project. Effective 7/1/2050. (SD1)

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

