

JAN 20 2017

A BILL FOR AN ACT

RELATING TO FUEL TAXES.

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

1 SECTION 1. Section 243-6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§243-6 Fuel taxes, dispositions.** The "city and county of
4 Honolulu fuel tax" shall be paid by the department of taxation
5 into the state treasury, and shall, by the state director of
6 finance, be paid over to the director of finance of the city and
7 county of Honolulu for deposit into the fund known as the
8 "highway fund" created by section 249-18.

9 The "county of Kauai fuel tax" shall be paid by the
10 department into the state treasury, and shall, by the state
11 director of finance, be paid over to the director of finance of
12 the county of Kauai for deposit into the fund known as the
13 "highway fund" created by section 249-18.

14 The "county of Hawaii fuel tax" shall be paid by the
15 department into the state treasury, and shall, by the state
16 director of finance, be paid over to the director of finance of



1 the county of Hawaii for deposit into the fund known as the
2 "highway fund" created by section 249-18.

3 The "county of Maui fuel tax" collected on account of
4 liquid fuel sold or used on the island of Lanai or sold
5 elsewhere for ultimate use on the island of Lanai, shall be paid
6 by the department into the state treasury, and shall, by the
7 state director of finance, be paid over to the director of
8 finance of the county of Maui for deposit into the fund known as
9 the "highway fund" created by section 249-18, for expenditure on
10 the island of Lanai. The "county of Maui fuel tax" collected on
11 account of liquid fuel sold or used on the island of Molokai or
12 sold elsewhere for ultimate use on the island of Molokai, shall
13 be paid by the department into the state treasury, and shall, by
14 the state director of finance, be paid over to the director of
15 finance of the county of Maui for deposit into the fund known as
16 the "highway fund" created by section 249-18, for expenditure on
17 the island of Molokai. The remainder of the "county of Maui
18 fuel tax" shall be paid by the department into the state
19 treasury, and shall, by the state director of finance, be paid
20 over to the director of finance of the county of Maui for



S.B. NO. 273

1 deposit into the fund known as the "highway fund" created by
2 section 249-18.

3 Each of the foregoing taxes shall be expended for the
4 following purposes, for the island for which the tax revenue is
5 specially indicated, or, if none, for the county for which the
6 tax revenue is indicated:

7 (1) For payment of interest on and redemption of any bonds
8 duly issued or sold on or after July 1, 1951, under
9 chapter 47 for the financing or aiding in financing
10 the construction of county highway tunnels, approach
11 roads thereto, and highways. Such payments of
12 interest and principal on the bonds when due, shall be
13 first charges on such moneys so deposited in the
14 fund[-];

15 (2) For acquisition, designing, construction,
16 reconstruction, improvement, repair, and maintenance
17 of county main and general thoroughfares, highways,
18 and other streets, street lights, storm drains, and
19 bridges, including costs of new land therefor, when
20 expenditures for the foregoing purposes cannot be
21 financed under state-federal aid projects[-];



S.B. NO. 273

- 1 (3) In the case of the city and county of Honolulu, for
2 payment of the city and county's share in an
3 improvement district initiated by the city and county
4 for an improvement listed in paragraph (2) [above]
5 which is permitted to be constructed in the city and
6 county [-];
7 (4) For the construction of county highway tunnels,
8 overpasses, underpasses, and bridges, where such
9 improvement cannot be made under state-federal aid
10 projects [-];
11 (5) For purposes and functions connected with county
12 traffic control and preservation of safety upon the
13 public highways and streets [-];
14 (6) For purposes and functions in connection with mass
15 transit [-];
16 (7) For acquisition, design, construction, improvement,
17 repair, and maintenance of bikeways [-]; and
18 (8) ~~[No]~~ In the case of the county of Hawaii, funds may,
19 in a manner consistent with paragraph (2), be expended
20 for the maintenance of substandard private subdivision
21 roads that are used by the public; provided that upon



1 the sale of any portion of the private subdivision to
2 an entity other than the State or the county of
3 Hawaii, neither the State nor the county shall be
4 required to install infrastructure for the roads in
5 that portion of the private subdivision; provided
6 further that no expenditure shall be made, out of the
7 revenues paid into any [such] fund, which will
8 jeopardize federal aid for highway construction."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect on July 1, 2017;
12 provided that this Act shall be repealed on June 30, 2022, and
13 section 243-6, Hawaii Revised Statutes, shall be reenacted in
14 the form in which it read on the day prior to the effective date
15 of this Act.

16 INTRODUCED BY: _____

Paul F. PG

[Signature]
Maime Q. Mowse
Hal Wood



S.B. NO. 273

Report Title:

County of Hawaii; Fuel Taxes; Substandard Private Subdivision Road Maintenance

Description:

Permits the county of Hawaii to appropriate the county's share of fuel tax revenue for the maintenance of substandard private subdivision roads that are used by the public. Provides that neither the State nor the county shall be required to install infrastructure improvements if the roads are thereafter sold to a private entity. Sunsets 6/30/22.

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

