

JAN 26 2022

A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF
TRANSPORTATION.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. Act 88, Session Laws of Hawaii 2021, provided
5 \$15,000,000 in highways special funds for the highways
6 division's special maintenance program in fiscal year 2021-2022.
7 This Act will increase the total to \$35,000,000 for the special
8 maintenance program in fiscal year 2021-2022. The highways
9 division's special maintenance program is to preserve the
10 initial capital investment and to prolong the life of the
11 facility. Traffic, weather, and age are the major causes of the
12 facility deterioration. The special maintenance program is a
13 systematic maintenance program to prevent further and
14 accelerated deterioration of the highway facility. The intent
15 of the special maintenance program is to avoid major repairs and
16 to minimize routine maintenance costs. Since the closing of the
17 2021 regular session, the state highway fund balance is

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1 projected to be greater than anticipated due to passage of Act
2 237, Session Laws of Hawaii 2021, that increases the rental
3 motor vehicle surcharge tax each year by \$0.50 from January 1,
4 2022, to December 31, 2027; the state highway fund receiving
5 federal funds of \$42,000,000 from the Coronavirus Response and
6 Relief Supplemental Appropriations Act, 2021; and the better
7 than anticipated State of Hawaii economic recovery. The purpose
8 of this Act is to make an emergency appropriation to the
9 department of transportation to authorize additional funding for
10 the highways division's special maintenance program.

11 SECTION 3. There is appropriated out of the state highway
12 fund the sum of \$20,000,000 or so much thereof as may be
13 necessary for fiscal year 2021-2022 for the department of
14 transportation to provide funding for highways division's
15 special maintenance program. The sum appropriated shall be
16 expended by the department of transportation for the purposes of
17 this Act; provided further that the funds appropriated shall not
18 lapse at the end of the fiscal year for which it was
19 appropriated, but any unencumbered funds remaining shall lapse
20 on June 30, 2023.

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1 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: *Ma A-M*

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BY REQUEST

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Report Title:

Emergency appropriation; Department of Transportation; Special Maintenance Program

Description:

Makes an emergency appropriation to authorize additional funds for the Department of Transportation Highways Division's special maintenance program.

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

JUSTIFICATION SHEET

DEPARTMENT: Transportation

TITLE: A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF TRANSPORTATION.

PURPOSE: To appropriate an additional \$20,000,000 for fiscal year 2021-2022 to increase the highways special maintenance program funding.

MEANS: Appropriate special fund revenue in the sum of \$20,000,000 for fiscal year 2021-2022.

JUSTIFICATION: The purpose of this bill is to increase the funding for the highways special maintenance program from \$15,000,000 to \$35,000,000 for fiscal year 2021-2022. The special maintenance program is a systematic maintenance program to prevent further and accelerated deterioration of highway facilities. The intent of the program is to avoid major repairs and to minimize routine maintenance costs.

Since the close of the 2021 regular session, the state highway fund balance is now projected to be greater than anticipated due to several factors. First, the passage of Act 237, Session Laws of Hawaii 2021, increases the rental motor vehicle surcharge tax each year by \$0.50 from January 1, 2022, to December 31, 2027, to be deposited into highways special fund. Second, the state highway fund will be receiving \$42,000,000 in federal funds from the Coronavirus Response and Relief Supplemental Appropriations Act passed in 2021. Finally, a much better than projected State of Hawaii economic recovery is expected in the upcoming year.

Impact on the public: This bill will provide additional highway special maintenance and repair projects that includes improved road conditions for motorists. In addition, the additional funding will further stimulate the economy with additional projects and increase the state's economic recovery from the Covid's effect on the State.

Impact on the department and other agencies: This bill will allow the highways division to expend additional funds on more programmed projects that were delayed by its previous limited funding on the program.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: TRN 595.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.