
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Chapter 264, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§264- Mass transit special fund. (a) There is
5 established within the treasury of the State a special fund to
6 be known as the mass transit special fund.

7 (b) The funds collected under section 237-31(3) and any
8 appropriation made by the legislature shall be deposited into
9 the special fund.

10 (c) The fund shall be managed by the department of
11 transportation, which shall make expenditures from the fund for
12 the following purposes:

13 (1) Providing grants-in-aid to the counties to implement
14 or improve an existing mass transit system, including
15 purchasing buses and subsidizing bus fares; provided
16 that any fare subsidy shall be on a sliding scale to
17 assist needy residents; provided further that all



1 grants-in-aid shall be made by legislative
 2 appropriation; and
 3 (2) Expanding and improving the state van pool system.
 4 (d) Notwithstanding any other law to the contrary, no
 5 moneys from the special fund may be expended for any purposes
 6 contrary to this section unless otherwise approved by the
 7 legislature.

8 (e) The department of transportation may adopt rules under
 9 chapter 91 to effectuate this section."

10 SECTION 2. Section 237-31, Hawaii Revised Statutes, is
 11 amended to read as follows:

12 "**§237-31 Remittances.** All remittances of taxes imposed by
 13 this chapter shall be made by money, bank draft, check,
 14 cashier's check, money order, or certificate of deposit to the
 15 office of the department of taxation to which the return was
 16 transmitted. The department shall issue its receipts therefor
 17 to the taxpayer and shall pay the moneys into the state treasury
 18 as a state realization, to be kept and accounted for as provided
 19 by law; provided that:

20 (1) The sum from all general excise tax revenues realized
 21 by the State that represents the difference between
 22 \$45,000,000 and the proceeds from the sale of any



1 general obligation bonds authorized for that fiscal
2 year for the purposes of the state educational
3 facilities improvement special fund shall be deposited
4 in the state treasury in each fiscal year to the
5 credit of the state educational facilities improvement
6 special fund;

7 (2) A sum, not to exceed \$5,000,000, from all general
8 excise tax revenues realized by the State shall be
9 deposited in the state treasury in each fiscal year to
10 the credit of the compound interest bond reserve fund;
11 and

12 (3) ~~[A sum, not to exceed the amount necessary to meet the~~
13 ~~obligations of the integrated tax information~~
14 ~~management systems performance-based contract may be~~
15 ~~retained and deposited in the state treasury to the~~
16 ~~credit of the integrated tax information management~~
17 ~~systems special fund. The sum retained by the~~
18 ~~director of taxation for deposit to the integrated tax~~
19 ~~information management systems special fund for each~~
20 ~~fiscal year shall be limited to amounts appropriated~~
21 ~~by the legislature. This paragraph shall be repealed~~
22 ~~on July 1, 2005.] The sum from all general excise tax~~



1 revenues collected for motor vehicle gasoline shall be
2 deposited each fiscal year into the state treasury to
3 the credit of the mass transit special fund under
4 section 264- ; provided that the following sums
5 shall be transferred to the mass transit special fund
6 on the following dates:

7 (A) January 1, 2007--ten per cent of the revenues
8 collected;

9 (B) January 1, 2008--twenty per cent of the revenues
10 collected;

11 (C) January 1, 2009--thirty per cent of the revenues
12 collected;

13 (D) January 1, 2010--forty per cent of the revenues
14 collected; and

15 (E) January 1, 2011--fifty per cent of the revenues
16 collected.

17 The department may adopt rules pursuant to chapter 91 to
18 effectuate this paragraph. This paragraph shall be repealed on
19 December 31, 2011."

20 SECTION 3. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect upon its approval
 2 and shall be repealed on December 31, 2011; provided that
 3 section 237-31, Hawaii Revised Statutes, shall be reenacted in
 4 the form in which it read on the day before the approval of this
 5 Act.

6

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JAN 19 2006



HB 1902

Report Title:

Mass Transit; Mass Transit Special Fund

Description:

Establishes a mass transit special fund that is funded by the general excise tax on gasoline to assist the counties with mass transit issues.

