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# A BILL FOR AN ACT

RELATING TO BOATING.

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

1 SECTION 1. Section 237-31, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§237-31 Remittances.** All remittances of taxes imposed by  
4 this chapter shall be made by money, bank draft, check,  
5 cashier's check, money order, or certificate of deposit to the  
6 office of the department of taxation to which the return was  
7 transmitted. The department shall issue its receipts therefor  
8 to the taxpayer and shall pay the moneys into the state treasury  
9 as a state realization, to be kept and accounted for as provided  
10 by law; provided that:

11 (1) The sum from all general excise tax revenues realized  
12 by the State that represents the difference between  
13 \$45,000,000 and the proceeds from the sale of any  
14 general obligation bonds authorized for that fiscal  
15 year for the purposes of the state educational  
16 facilities improvement special fund shall be deposited  
17 in the state treasury in each fiscal year to the



1 credit of the state educational facilities improvement  
2 special fund;

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

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 This paragraph shall be repealed  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

19 (3) Beginning July 1, 2006, and each fiscal year  
20 thereafter, a sum equal to fifty per cent of the  
21 general excise tax revenues received from all  
22 permittees under section 200-10(c)(4), whose vessels



1       are used for commercial activities carried out in  
2       small boat harbors, shall be deposited in the state  
3       treasury in each fiscal year to the credit of the  
4       boating special fund established under section 248-8  
5       to supplement the general revenues for the payment of  
6       costs enumerated under section 200-8."

7       SECTION 2. Section 248-8, Hawaii Revised Statutes, is  
8       amended to read as follows:

9       "**§248-8 Special funds in treasury of State.** There are  
10       created in the treasury of the State three special funds to be  
11       known, respectively, as the state highway fund, the airport  
12       revenue fund, and the boating special fund. All taxes collected  
13       under chapter 243 in each calendar year, except the "county of  
14       Hawaii fuel tax", "city and county of Honolulu fuel tax",  
15       "county of Maui fuel tax", and "county of Kauai fuel tax", shall  
16       be deposited in the state highway fund; provided that:

- 17       (1) All taxes collected under chapter 243 with respect to  
18       gasoline or other aviation fuel sold for use in or  
19       used for airplanes shall be set aside in the airport  
20       revenue fund; and



1 (2) All taxes collected under chapter 243 with respect to  
2 liquid fuel sold for use in or used for small boats  
3 shall be deposited in the boating special fund.

4 As used in this section, "small boats" means all vessels  
5 and other watercraft except those operated in overseas  
6 transportation beyond the State, and ocean-going tugs and  
7 dredges. The chairperson of the board of land and natural  
8 resources, from July 1, 1992, and every three years thereafter,  
9 shall establish standards or formulas that will as equitably as  
10 possible establish the total taxes collected under chapter 243  
11 in each fiscal year that are derived from the sale of liquid  
12 fuel for use in or used for small boats. The amount so  
13 determined shall be deposited in the boating special fund. The  
14 amounts received pursuant to section 237-31(3) shall be  
15 deposited into the boating special fund.

16 An amount equal to 0.3 per cent of the highway fuel tax but  
17 not more than \$250,000 collected under chapter 243 shall be  
18 allocated each fiscal year to the special land and development  
19 fund for purposes of the management, maintenance, and  
20 development of trails and trail accesses under the jurisdiction  
21 of the department of land and natural resources established  
22 under section 198D-2."



1 SECTION 3. The State's small boat harbors, including but  
2 not limited to its jurisdiction, duties, authorizations,  
3 programs, records, equipment and materials, funding, and  
4 personnel, shall not be transferred to any county in any manner  
5 unless expressly provided by statute.

6 SECTION 4. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect on July 1, 2060.



SB 2150 SO1  
HD1

**Report Title:**

Ocean Recreation; Taxation

**Description:**

Requires 50 per cent of the moorage application fees collected from commercial permittees of the small boat harbors be credited to the Boating Special Funds. Prohibits the transfer of the small boat harbors to the county without Legislative approval.  
(SB2150 HD1)

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