
A BILL FOR AN ACT

RELATING TO THE STATE HIGHWAY FUND.

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

1 SECTION 1. The legislature finds that Act 178, Session
2 Laws of Hawaii 2005, appropriated a total of \$10,000,000 for
3 fiscal year 2005-2006 from the state highway fund to the city
4 and county of Honolulu (\$4,000,000), the county of Hawaii
5 (\$2,000,000), the county of Maui (\$2,000,000), and the county of
6 Kauai (\$2,000,000), as subsidies for county road work. The
7 legislature also finds that section 248-9, Hawaii Revised
8 Statutes, authorizes the use of state highway fund moneys only
9 for the state highway system. It does not authorize the use of
10 such moneys for the road systems of the counties.

11 The purpose of this Act is to authorize the use of moneys
12 from the state highway fund for the road systems of the counties
13 for fiscal year 2005-2006.

14 SECTION 2. Section 248-9, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§248-9 State highway fund.** (a) Moneys in the state
17 highway fund may be expended for the following purposes:



- 1 (1) To pay the costs of operation, maintenance, and repair
2 of the state highway system, including without
3 limitation, the cost of equipment and general
4 administrative overhead;
- 5 (2) To pay the costs of acquisition (including real
6 property and interests therein), planning, designing,
7 construction and reconstruction of the state highway
8 system, and bikeways, including, without limitation,
9 the cost of equipment and general administrative
10 overhead; [~~and~~]
- 11 (3) To reimburse the general fund for interest on and
12 principal of general obligation bonds issued to
13 finance highway projects where the bonds are
14 designated to be reimbursable out of the state highway
15 fund~~[]~~; and
- 16 (4) To pay the costs of construction, maintenance, and
17 repair of county roads; provided that none of the
18 funds expended on a county road or program shall be
19 federal funds when such expenditure would cause a
20 violation of federal law or a federal grant agreement.
- 21 (b) At any time the director of transportation may
22 transfer from the state highway fund all or any portion of

1 available moneys determined by the director of transportation to
2 be in excess of one hundred thirty-five per cent of the
3 requirements for the ensuing twelve months for the state highway
4 fund as permitted by and in accordance with section 37-53. For
5 purposes of the determination, the director of transportation
6 shall take into consideration:

7 (1) The amount of federal funds and bond funds on deposit
8 in, and budgeted to be expended from, the state
9 highway fund during the period;

10 (2) Amounts on deposit in the state highway fund which are
11 encumbered or otherwise obligated;

12 (3) Budgeted amounts payable from the state highway fund
13 during the period;

14 (4) Revenues anticipated to be received by and
15 expenditures to be made from the state highway fund
16 during the period based on existing agreements and
17 other information for the ensuing twelve months; and

18 (5) Any other factors as the director of transportation
19 shall deem appropriate."

20 SECTION 3. It is the intent of this Act not to jeopardize
21 the receipt of any federal aid nor to impair the obligation of
22 the State or any agency thereof to the holders of any bond

1 issued by the State or any such agency, and to the extent, and
2 only to the extent, necessary to effectuate this intent, the
3 governor may modify the strict provisions of this Act, but shall
4 promptly report any such modification with reasons therefor to
5 the legislature at its next session thereafter for review by the
6 legislature.

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

9 SECTION 5. This Act shall take effect upon its approval.

Report Title:

State Highway Fund; County Use

Description:

Allows moneys in the state highway fund to be used by the counties to construct and improve county roads. (SD1)

