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# A BILL FOR AN ACT

RELATING TO TRANSPORTATION ENERGY.

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

1 PART I.

2 TRANSPORTATION ENERGY INFRASTRUCTURE

3 SECTION 1. Chapter 248, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6 "§248- Land transportation modernization special fund.

7 (a) There is established in the state treasury the land  
8 transportation modernization special fund, that excludes the  
9 taxes and fees collected on any island with a total resident  
10 population of less than 20,000 persons, to be administered by  
11 the department of transportation, into which shall be deposited:

12 (1) A portion of the tax collected under section 2(a) of  
13 S.B. No. 1611 (2009), equal to 10 cents per gallon of  
14 liquid fuel;

15 (2) A portion of the state registration fee collected  
16 under section 3 of S.B. No. 1611 (2009), equal to \$20  
17 for each annual motor vehicle registration fee  
18 collected;

1       (3) A portion of the annual state vehicle weight tax  
 2       collected under section 4 of S.B. No. 1611 (2009),  
 3       equal to 2 cents a pound for vehicles up to and  
 4       including ten thousand pounds net weight, and a rate  
 5       of \$300 per vehicle for vehicles over ten thousand  
 6       pounds net weight;

7       (4) Interest from investment of deposits; and

8       (5) Legislative and county appropriations.

9       (b) Moneys in the land transportation modernization  
 10      special fund shall be used for the purposes of Act       , Session  
 11      Laws of Hawaii 2009, and shall be authorized for expenditure by  
 12      the department of transportation for payment of revenue bond  
 13      debt service, including principal and interest.

14      (c) The land transportation modernization special fund  
 15      shall be exempt from the requirements of section 36-27 transfers  
 16      from special funds for central service expenses, and section  
 17      36-30 special fund reimbursements for departmental  
 18      administrative expenses."

19           SECTION 2. Section 36-27, Hawaii Revised Statutes, is  
 20 amended to read as follows:

21           "**§36-27 Transfers from special funds for central service**  
 22 **expenses.** Except as provided in this section, and

1 notwithstanding any other law to the contrary, from time to  
2 time, the director of finance, for the purpose of defraying the  
3 prorated estimate of central service expenses of government in  
4 relation to all special funds, except the:

- 5 (1) Special out-of-school time instructional program fund  
6 under section 302A-1310;
- 7 (2) School cafeteria special funds of the department of  
8 education;
- 9 (3) Special funds of the University of Hawaii;
- 10 (4) State educational facilities improvement special fund;
- 11 (5) Convention center enterprise special fund under  
12 section 201B-8;
- 13 (6) Special funds established by section 206E-6;
- 14 (7) Housing loan program revenue bond special fund;
- 15 (8) Housing project bond special fund;
- 16 (9) Aloha Tower fund created by section 206J-17;
- 17 (10) Funds of the employees' retirement system created by  
18 section 88-109;
- 19 (11) Unemployment compensation fund established under  
20 section 383-121;
- 21 (12) Hawaii hurricane relief fund established under chapter  
22 431P;

- 1 (13) Hawaii health systems corporation special funds and  
2 the subaccounts of its regional system boards;
- 3 (14) Tourism special fund established under section  
4 201B-11;
- 5 (15) Universal service fund established under chapter 269;
- 6 (16) Emergency and budget reserve fund under section  
7 328L-3;
- 8 (17) Public schools special fees and charges fund under  
9 section 302A-1130(f);
- 10 (18) Sport fish special fund under section 187A-9.5;
- 11 (19) Neurotrauma special fund under section 321H-4;
- 12 (20) Deposit beverage container deposit special fund under  
13 section 342G-104;
- 14 (21) Glass advance disposal fee special fund established by  
15 section 342G-82;
- 16 (22) Center for nursing special fund under section  
17 304A-2163;
- 18 (23) Passenger facility charge special fund established by  
19 section 261-5.5;
- 20 (24) Solicitation of funds for charitable purposes special  
21 fund established by section 467B-15;
- 22 (25) Land conservation fund established by section 173A-5;

- 1 (26) Court interpreting services revolving fund under  
2 section 607-1.5;
- 3 (27) Trauma system special fund under section 321-22.5;
- 4 (28) Hawaii cancer research special fund;
- 5 (29) Community health centers special fund;
- 6 (30) Emergency medical services special fund; [~~and~~]
- 7 (31) Rental motor vehicle customer facility charge special  
8 fund established under section 261-5.6; and
- 9 (32) Land transportation modernization special fund  
10 established under section 248- ;
- 11 shall deduct five per cent of all receipts of all other special  
12 funds, which deduction shall be transferred to the general fund  
13 of the State and become general realizations of the State. All  
14 officers of the State and other persons having power to allocate  
15 or disburse any special funds shall cooperate with the director  
16 in effecting these transfers. To determine the proper revenue  
17 base upon which the central service assessment is to be  
18 calculated, the director shall adopt rules pursuant to chapter  
19 91 for the purpose of suspending or limiting the application of  
20 the central service assessment of any fund. No later than  
21 twenty days prior to the convening of each regular session of

1 the legislature, the director shall report all central service  
2 assessments made during the preceding fiscal year."

3 SECTION 3. Section 36-30, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Each special fund, except the:

- 6 (1) Transportation use special fund established by section  
7 261D-1;
- 8 (2) Special out-of-school time instructional program fund  
9 under section 302A-1310;
- 10 (3) School cafeteria special funds of the department of  
11 education;
- 12 (4) Special funds of the University of Hawaii;
- 13 (5) State educational facilities improvement special fund;
- 14 (6) Special funds established by section 206E-6;
- 15 (7) Aloha Tower fund created by section 206J-17;
- 16 (8) Funds of the employees' retirement system created by  
17 section 88-109;
- 18 (9) Unemployment compensation fund established under  
19 section 383-121;
- 20 (10) Hawaii hurricane relief fund established under chapter  
21 431P;

- 1 (11) Convention center enterprise special fund established
- 2 under section 201B-8;
- 3 (12) Hawaii health systems corporation special funds and
- 4 the subaccounts of its regional system boards;
- 5 (13) Tourism special fund established under section
- 6 201B-11;
- 7 (14) Universal service fund established under chapter 269;
- 8 (15) Emergency and budget reserve fund under section
- 9 328L-3;
- 10 (16) Public schools special fees and charges fund under
- 11 section 302A-1130(f);
- 12 (17) Sport fish special fund under section 187A-9.5;
- 13 (18) Neurotrauma special fund under section 321H-4;
- 14 (19) Center for nursing special fund under section
- 15 304A-2163;
- 16 (20) Passenger facility charge special fund established by
- 17 section 261-5.5;
- 18 (21) Court interpreting services revolving fund under
- 19 section 607-1.5;
- 20 (22) Trauma system special fund under section 321-22.5;
- 21 (23) Hawaii cancer research special fund;
- 22 (24) Community health centers special fund;

1 (25) Emergency medical services special fund; [~~and~~]  
2 (26) Rental motor vehicle customer facility charge special  
3 fund established under section 261-5.6[~~7~~]; and  
4 (27) Land transportation modernization special fund  
5 established under section 248- ,  
6 shall be responsible for its pro rata share of the  
7 administrative expenses incurred by the department responsible  
8 for the operations supported by the special fund concerned."  
9 The increase in taxes and fees under this Act shall not take  
10 effect until the state economy has improved with a resultant one  
11 per cent growth in Hawaii's statewide non agricultural wage and  
12 salary job growth for two consecutive quarters as compared with  
13 the same quarters in the previous year as published by the  
14 department of business, economic development, and tourism."

15 SECTION 4. The increases in sections 1 of this Act shall  
16 be effective six months following receipt of moneys by the State  
17 and deposited into the state general fund pursuant to the  
18 federal American Recovery and Reinvestment Act of 2009.

19 SECTION 5. If, however, the tax and fee increases under  
20 this Act are not triggered by the third year following the  
21 effective date of this Act, the department of transportation  
22 shall return to current operational and priority status, scaling



1 back its efforts to match and appropriately manage available  
2 resources.

3 SECTION 6. In codifying the new sections added by this  
4 Act, the revisor of statutes shall substitute appropriate  
5 section numbers for the letters used in designating the new  
6 sections in this Act.

7 SECTION 7. In codifying the new section contained in  
8 section 1 of this Act, the revisor of statutes shall insert the  
9 act number of S.B. No. 1611 for the references to S.B.  
10 No. 1611(2009) contained in that section.

11 SECTION 8. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 9. This Act shall take effect upon approval.

**Report Title:**

Transportation Energy

**Description:**

Establishes Land Transportation Modernization Special Fund if fees and tax increases are triggered. (SD1)