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## A BILL FOR AN ACT

RELATING TO THE HOMELESS.

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

1           SECTION 1. The legislature finds that homelessness  
2 continues to be a major concern for the State. Although there  
3 has been some success providing shelters and services for the  
4 homeless, there appears to be an identifiable segment of the  
5 homeless population that has had difficulties transitioning into  
6 those shelters. These independent individuals appear to prefer  
7 the freedom and openness of the outdoors and are drawn in  
8 growing numbers to local parks and beaches.

9           The legislature also finds that providing the financing to  
10 acquire and maintain state parks to serve this segment of the  
11 homeless population will reduce many of the problems evident in  
12 several parks and beaches across the State.

13           The purpose of this Act is to increase the conveyance tax  
14 on the sale of luxury homes to finance the purchase,  
15 acquisition, design, and maintenance of state or county parks to  
16 serve the homeless population.



1 SECTION 2. Chapter 184, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "§184- Parks for homeless special fund. (a) There is  
5 established in the state treasury, the parks for homeless  
6 special fund, into which shall be deposited the designated  
7 portion of the conveyance tax under section 247-7(4).

8 (b) Moneys in the parks for homeless special fund shall be  
9 administered by the finance department of any county with a  
10 population greater than five hundred thousand that receives  
11 funds under this section, and shall be used pursuant to sections  
12 184-2 and 184-3 to acquire, convert, or maintain parks under the  
13 jurisdiction of the department to service the homeless,  
14 including providing open structures or shelters to protect park  
15 users from the wind and rain, providing basic services such as  
16 showers, toilets, drinking fountains, coin-operated washers and  
17 dryers, lockers, and providing accommodations for overnight  
18 camping, one shopping cart per person for personal possessions,  
19 and not more than one small pet. Park users shall relinquish  
20 the park for maintenance from 9:00 a.m. to 4:30 p.m. daily and  
21 tents shall be removed during the day."



1 SECTION 3. Section 247-2, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "**§247-2 Basis and rate of tax.** The tax imposed by section  
4 247-1 shall be based on the actual and full consideration  
5 (whether cash or otherwise, including any promise, act,  
6 forbearance, property interest, value, gain, advantage, benefit,  
7 or profit), paid or to be paid for all transfers or conveyance  
8 of realty or any interest therein, that shall include any liens  
9 or encumbrances thereon at the time of sale, lease, sublease,  
10 assignment, transfer, or conveyance, and shall be at the  
11 following rates:

- 12 (1) Except as provided in paragraph (2):
  - 13 (A) Ten cents per \$100 for properties with a value of
  - 14 less than \$600,000;
  - 15 (B) Twenty cents per \$100 for properties with a value
  - 16 of at least \$600,000, but less than [~~\$1,000,000;~~
  - 17 \$700,000;
  - 18 (C) Twenty-two cents per \$100 for properties with a
  - 19 value of at least \$700,000, but less than
  - 20 \$1,000,000;



1 (B) Twenty-five cents per \$100 for properties with a  
2 value of at least \$600,000, but less than  
3 ~~[\$1,000,000;]~~ \$700,000;

4 (C) Twenty-eight cents per \$100 for properties with a  
5 value of at least \$700,000, but less than  
6 \$1,000,000;

7 [~~(C) Forty~~] (D) Forty-four cents per \$100 for  
8 properties with a value of at least \$1,000,000,  
9 but less than \$2,000,000;

10 [~~(D) Sixty~~] (E) Sixty-six cents per \$100 for  
11 properties with a value of at least \$2,000,000,  
12 but less than \$4,000,000;

13 [~~(E) Eighty-five~~] (F) Ninety-four cents per \$100 for  
14 properties with a value of at least \$4,000,000,  
15 but less than \$6,000,000;

16 [~~(F)] (G) One dollar and ~~ten~~ twenty-one cents per  
17 \$100 for properties with a value of at least  
18 \$6,000,000, but less than \$10,000,000; and~~

19 [~~(G)] (H) One dollar and ~~twenty-five~~ thirty-eight  
20 cents per \$100 for properties with a value of  
21 \$10,000,000 or greater,~~



1 of such actual and full consideration; provided that in the case  
2 of a lease or sublease, this chapter shall apply only to a lease  
3 or sublease whose full unexpired term is for a period of five  
4 years or more, and in those cases, including (where appropriate)  
5 those cases where the lease has been extended or amended, the  
6 tax in this chapter shall be based on the cash value of the  
7 lease rentals discounted to present day value and capitalized at  
8 the rate of six per cent, plus the actual and full consideration  
9 paid or to be paid for any and all improvements, if any, that  
10 shall include on-site as well as off-site improvements,  
11 applicable to the leased premises; and provided further that the  
12 tax imposed for each transaction shall be not less than \$1."

13 SECTION 4. Section 247-7, Hawaii Revised Statutes, is  
14 amended to read as follows:

15 "**§247-7 Disposition of taxes.** All taxes collected under  
16 this chapter shall be paid into the state treasury to the credit  
17 of the general fund of the State, to be used and expended for  
18 the purposes for which the general fund was created and exists  
19 by law; provided that ten per cent of all taxes collected under  
20 section 247-2 (1)(C) to (H) and (2)(C) to (H) for properties  
21 with a value of at least \$700,000 shall be deposited into the  
22 parks for homeless special fund under section 184- ; and



1 provided further that of the remaining taxes collected each  
2 fiscal year:

3 (1) Ten per cent shall be paid into the land conservation  
4 fund established pursuant to section 173A-5;

5 (2) Twenty-five per cent from July 1, 2009, until June 30,  
6 2012, and thirty per cent in each fiscal year  
7 thereafter shall be paid into the rental housing trust  
8 fund established by section 201H-202; [~~and~~]

9 (3) Twenty per cent from July 1, 2009, until June 30,  
10 2012, and twenty-five per cent in each fiscal year  
11 thereafter shall be paid into the natural area reserve  
12 fund established by section 195-9; provided that the  
13 funds paid into the natural area reserve fund shall be  
14 annually disbursed by the department of land and  
15 natural resources in the following priority:

16 (A) To natural area partnership and forest  
17 stewardship programs after joint consultation  
18 with the forest stewardship committee and the  
19 natural area reserves system commission;

20 (B) Projects undertaken in accordance with watershed  
21 management plans pursuant to section 171-58 or  
22 watershed management plans negotiated with



1 private landowners, and management of the natural  
 2 area reserves system pursuant to section 195-3;  
 3 and

4 (C) The youth conservation corps established under  
 5 chapter 193."

6 SECTION 5. Statutory material to be repealed is bracketed  
 7 and stricken. New statutory material is underscored.

8 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

John C. Cotonilla

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JAN 25 2010





**Report Title:**

Homelessness; Conveyance Tax; Parks; DLNR

**Description:**

Increases by 10% the conveyance tax on the sale of luxury homes over \$700,000 to finance the purchase and maintenance of state parks to serve the homeless.

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