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# A BILL FOR AN ACT

RELATING TO THE CONVEYANCE TAX.

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

1           SECTION 1. The legislature finds that during the present  
2 budget crisis, higher priorities than land conservation and the  
3 natural area reserve system exist. The legislature also finds  
4 that the rental housing trust fund has a balance that is  
5 sufficient for its purposes.

6           The purpose of this Act is to temporarily suspend the  
7 distribution of a portion of the conveyance tax to the land  
8 conservation fund and rental housing trust fund and reduce the  
9 portion distributed to the natural area reserve fund.

10          SECTION 2. Section 173A-5, Hawaii Revised Statutes, is  
11 amended by amending subsection (d) to read as follows:

12           "(d) The appropriate percentage identified under section  
13 247-7 of all taxes imposed and collected under chapter 247 shall  
14 be deposited in or credited to the fund [~~every fiscal year.~~]  
15 after June 30, 2012."

16          SECTION 3. Section 247-7, Hawaii Revised Statutes, is  
17 amended to read as follows:



1           "§247-7   Disposition of taxes. All taxes collected under  
2 this chapter shall be paid into the state treasury to the credit  
3 of the general fund of the State, to be used and expended for  
4 the purposes for which the general fund was created and exists  
5 by law; provided that of the taxes collected each fiscal year:

- 6           (1) Ten per cent in each fiscal year after June 30, 2012,  
7           shall be paid into the land conservation fund  
8           established pursuant to section 173A-5;
- 9           (2) Twenty-five per cent from July 1, 2009, until June 30,  
10           ~~[2012,]~~ 2010, and thirty per cent in each fiscal year  
11           ~~[thereafter]~~ after June 30, 2012 shall be paid into  
12           the rental housing trust fund established by section  
13           201H-202; and
- 14           (3) Twenty per cent from July 1, 2009, until June 30,  
15           2010, ten per cent from July 1, 2010 until June 30,  
16           2012, and twenty-five per cent in each fiscal year  
17           thereafter shall be paid into the natural area reserve  
18           fund established by section 195-9; provided that the  
19           funds paid into the natural area reserve fund shall be  
20           annually disbursed by the department of land and  
21           natural resources in the following priority:



- 1 (A) To natural area partnership and forest
- 2 stewardship programs after joint consultation
- 3 with the forest stewardship committee and the
- 4 natural area reserves system commission;
- 5 (B) Projects undertaken in accordance with watershed
- 6 management plans pursuant to section 171-58 or
- 7 watershed management plans negotiated with
- 8 private landowners, and management of the natural
- 9 area reserves system pursuant to section 195-3;
- 10 and
- 11 (C) The youth conservation corps established under
- 12 chapter 193."

13 SECTION 4. Statutory material to be repealed is bracketed  
 14 and stricken. New statutory material is underscored.

15 SECTION 5. This Act shall take effect on July 1, 2010.

16 INTRODUCED BY: Calvin K. Y. Ay  
 JAN 27 2010

**Report Title:**

Conveyance Tax; Land Conservation Fund Distribution Suspension

**Description:**

Temporarily suspends the distribution of a portion of the conveyance tax to the land conservation fund and rental housing trust fund. Reduces distribution to the natural area reserve fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

