
A BILL FOR AN ACT

RELATING TO VETERANS SERVICES.

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

1 SECTION 1. The legislature finds that more members of the
2 Hawaii national guard have been activated for federal service
3 and deployed for combat duty in Afghanistan and Iraq than at any
4 point in Hawaii's history. When the drawdown of American troops
5 stationed in those countries finally occurs, thousands of active
6 and reserve component veterans from Hawaii will return home.

7 The legislature notes that the State's health and social
8 services systems are already overburdened, and moneys available
9 from the general fund to provide additional services for the
10 influx of veterans will be limited. Further, funding for the
11 office of veterans' services, which serves as a liaison between
12 state and federal veterans programs, the governor, and
13 individual veterans and their families, may be limited or
14 reduced during these difficult economic times. Therefore, the
15 legislature finds that it is appropriate to create a special
16 funding mechanism for positions and programs in the office of
17 veterans' services. The legislature further finds that an
18 additional tax on the sale and distribution of liquor is an



1 appropriate method for providing the necessary funds.
2 Accordingly, the purpose of this Act is to create the veterans'
3 services special fund, to be funded by a veterans' services tax
4 on liquor.

5 SECTION 2. Chapter 244D, Hawaii Revised Statutes, is
6 amended by adding a new section to be appropriately designated
7 and to read as follows:

8 "§244D- Veterans' services tax; disposition of
9 revenues. (a) In addition to any other taxes provided by law,
10 every person who sells or uses any liquor in the State that is
11 subject to a gallonage tax under this chapter, shall pay a
12 veterans' services tax which is hereby imposed at the following
13 rates for the various liquor categories defined in section
14 244D-1:

- 15 (1) per wine gallon on distilled spirits;
16 (2) per wine gallon on sparkling wine;
17 (3) per wine gallon on still wine;
18 (4) per wine gallon on cooler beverages;
19 (5) per wine gallon on beer other than draft beer;
20 (6) per wine gallon on draft beer;

21 and at a proportionate rate for any other quantity so sold or
22 used.



1 (b) All moneys collected pursuant to this section shall be
2 deposited to the credit of the veterans' services special fund,
3 established pursuant to section 363- .

4 (c) The department of taxation shall provide an annual
5 accounting of these deposits to the legislature."

6 SECTION 3. Chapter 363, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 **"§363- Veterans' services special fund; use of funds.**

10 (a) There is established in the state treasury the veterans'
11 services special fund, into which shall be deposited revenue
12 from the veterans' services tax pursuant to section 244D- .

13 (b) Moneys in the veterans' services special fund shall be
14 used for positions and programs in the office of veterans'
15 services.

16 (c) The veterans' services special fund shall be
17 administered by the director of the office of veterans'
18 services; provided that no moneys shall be disbursed in a manner
19 that precludes qualified veterans from receiving benefits or
20 assistance from the United States Department of Veterans
21 Affairs.



1 (d) The director shall adopt rules, pursuant to chapter
2 91, for the purposes of this section."

3 SECTION 4. New statutory material is underscored.

4 SECTION 5. This Act shall take effect on July 1, 2009.



Report Title:

Veterans Services; Liquor Taxation

Description:

Establishes the Veterans' Services Special Fund to fund positions and programs in the Office of Veterans' Services. Establishes a veterans' service tax on liquor and deposits the revenue into the Veterans' Services Special Fund. (HB560 HD1)

