

JAN 26 2011

A BILL FOR AN ACT

RELATING TO HIGHWAYS.

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

PART I

SECTION 1. (a) The legislature finds that:

- (1) To meet the economic needs of the State and preserve the unique quality of life of its residents and visitors to these precious islands, the department of transportation must provide safe, efficient, and effective land transportation facilities for the movement of people and goods;
- (2) A modern and efficient land transportation infrastructure system is essential to a healthy and vibrant economic future;
- (3) Congestion on our highway systems has severe detrimental impacts on our economy and on the quality of life of Hawaii's people; and
- (4) The condition of our highway system continues to deteriorate at alarming and unacceptable rates.

The legislature further finds that the department of transportation's ability to fulfill its critical infrastructure



1 responsibilities with fixed resources is an extreme challenge
2 that continues to intensify due to programmatic and project
3 needs far exceeding the necessary resources available and needed
4 to properly address those needs. The land transportation system
5 will continue to deteriorate as demand for travel continues to
6 increase and as costs to manage, construct, and administer the
7 system increase. Opportunities to expand the system come at too
8 high a price.

9 As an island state, Hawaii has evolved from mostly rural,
10 agriculturally based communities to an increasingly urban
11 environment. The land transportation system has also evolved
12 from native trail systems linking historic communities, to a
13 belt road system providing both mobility and access to and
14 between towns and agricultural communities (plantation
15 villages). Presently, the land transportation system is a
16 hierarchical multimodal land transportation system that provides
17 high speed travel for the movement of people and goods. The
18 inherent trade-off between mobility and accessibility continues
19 to be a challenge in balancing the need to accommodate access to
20 property while minimizing congestion.

21 Land is a scarce commodity in our island state and
22 affordable land is an ever more limited resource. As our



1 statewide population has grown, a pent up demand for housing has
2 resulted due to the lack of affordable housing. Economic
3 realities have led to affordable housing developments being
4 pursued on former agricultural lands that are located farther
5 and farther away from the urban core where the majority of jobs
6 are located. This land use development pattern has resulted in
7 ever greater commute demands and commute distances, with
8 corresponding increases in regional congestion. Historic lows
9 in mortgage interest rates have further exacerbated this
10 situation by stimulating a housing boom before the regional land
11 transportation infrastructure has had a chance to keep pace with
12 accelerated development.

13 Evolving life styles have also resulted in ever increasing
14 demands for travel. The use of single occupancy vehicles
15 continues to be the predominant trend even during highly
16 congested peak commute periods. Motor vehicle usage has evolved
17 to become an ever more basic component in our everyday social
18 and recreational activities. Multiple vehicle ownership per
19 household has become commonplace. In some cases, vehicle
20 ownership per household exceeds the number of licensed drivers.

21 There are inherent and greater challenges in expanding
22 capacity through new or existing corridors as adjoining lands



1 become more urbanized. As open space diminishes, the potential
2 impacts of new capacity enhancement projects become ever more
3 deleterious. The easier, more cost effective routes have often
4 already been used and improvements implemented. Available
5 corridors or options often come with greater geographic and
6 construction challenges and higher associated costs.

7 There are also significantly greater complexities due to
8 stricter archaeological, environmental, and legal compliance
9 requirements. There is heightened awareness and greater value
10 placed on our precious archaeological and environment resources
11 requiring avoidance, where possible, and appropriate mitigation.
12 There are also increased legal requirements prohibiting
13 discrimination of the disadvantaged and disabled.

14 (b) On average, one hundred forty lives are lost on
15 Hawaii's roadways each year. Hawaii ranked twenty-ninth in
16 freeway safety with 1.45 traffic fatalities per million vehicle
17 miles traveled. Hawaii also ranked highest in the nation in
18 alcohol-related fatalities, second highest in the nation in
19 motorcycle-related fatalities, and seventh highest in the nation
20 in pedestrian-related fatalities. These statistics are high,
21 necessitating immediate and directed action to significantly
22 reduce fatalities. Increased funding and additional resources



1 are needed to expedite the implementation of various
2 recommendations in seven areas of emphasis developed through the
3 multi-agency strategic highway safety program.

4 The infrastructure deterioration continues to progress with
5 vehicle miles traveled increasing faster than the State's
6 ability to construct additional lanes of travel, resulting in
7 greater congestion. The morning commute on the H-1 freeway from
8 Kapolei into downtown Honolulu has risen to an average of sixty-
9 five minutes and is expected to increase every year. There is a
10 significant human cost to congestion, with ten minutes of time
11 spent in traffic, equating to approximately \$600 per person per
12 year, and \$3,300 per commercial vehicle per year.

13 Traffic congestion also has a significant negative impact
14 on the environment and related deterioration in overall quality
15 of life. Motor vehicles caught in congestion experience higher
16 energy consumption and emit greater air and noise pollution.
17 The resultant greenhouse gas emissions impact not only the local
18 but also the global environment. Congestion also results in
19 elevated stress in drivers and takes time away from families and
20 loved ones.

21 The cost for construction materials has dramatically
22 increased due in large part to the aggressive expansion in



1 emerging Asian nations. Significant fluctuations in petroleum
2 prices have also directly impacted construction costs since the
3 raw construction materials rely heavily on petroleum-based
4 products in their manufacture. The liquid fuel tax is assessed
5 on a per gallon basis without adjustments for inflation or other
6 factors. Motor vehicle manufacturers are also striving for
7 greater fuel efficiency and electric vehicle usage continues to
8 expand, further diminishing gas tax collection that pays for the
9 very infrastructure that these vehicles use.

10 The department of transportation continues to judiciously
11 allocate its limited resources to the most critical needs.
12 There is a point at which, however, a lack of resources will
13 significantly harm the efficacy of the organization.

14 Due to the extreme imbalance between programmatic needs and
15 available resources, the department of transportation is
16 committed to undertaking a comprehensive transformation,
17 re-evaluating its strategic policies, priorities, and
18 organizational structure to meet the challenges of the
19 twenty-first century. A major initiative of this comprehensive
20 transformation is the development of clear performance criteria
21 to properly drive investment decisions to ensure that the



1 greatest public benefit will be achieved through the responsible
2 management and expenditure of public funds.

3 (c) The department of transportation has developed a
4 \$4,000,000,000 comprehensive six-year work plan and financial
5 plan to implement critical programs and projects. As a part of
6 this effort, the department of transportation requires a
7 one-time, extraordinary infusion of \$2,000,000,000 in capital to
8 aid in rectifying critical deficiencies by pursuing those
9 programs and projects that have the greatest potential to
10 improve the performance categories relating to safety,
11 congestion, system preservation, and other programs and
12 initiatives.

13 The overall six-year work program is broken down by
14 performance category, by county, and by transportation corridors
15 to better manage, monitor, and inform the public on the progress
16 being made in improving performance. By accelerating the
17 implementation of the identified programs and projects, the
18 department of transportation intends to make major improvements
19 in the identified performance categories.

20 (d) Safety: Safety is and continues to be one of the
21 highest priorities for the department of transportation. While
22 the safety program receives priority funding, careful balancing



1 of available resources among programs is required in order to
2 avoid jeopardizing essential services, functions, and
3 responsibilities of the department of transportation.
4 Additional resources are needed to more expeditiously address
5 these critical and urgent needs.

6 The bridge, rockfall, and slope stabilization, and
7 shoreline protection programs serve core safety purposes in
8 providing and preserving essential connections to and between
9 communities. With much of the State served through a belt road
10 system, the statewide highway system serves fundamental and
11 essential functions, as well as serving core emergency response
12 and emergency evacuation functions. Bridges, rockfall, and
13 slope stabilization, and shoreline protection are also critical
14 safety concerns as catastrophic failures have dire consequences
15 entailing a potential for loss of life or serious injury.

16 Of an estimated seven hundred sixty bridges in the
17 statewide highway system, two hundred seventy-five are
18 structurally deficient or unsafe. In 2006, Hawaii ranked
19 forty-sixth nationally based on the percentage of structurally
20 safe bridges. Hawaii also had the worst compliance record in
21 the nation with respect to federal bridge inspection
22 requirements, failing to meet the requirement that all bridges



1 be inspected within two years. Although this statistic has now
2 been improved to being one of the best in the nation, these
3 failures may not be allowed to recur.

4 It is difficult to precisely predict when rocks will fall
5 or when a landslide will occur. Topography, geologic
6 conditions, and weather conditions factor into a risk assessment
7 to locate areas having the greatest potential for a landslide.
8 Shoreline protection is a constant and continuing battle as sea
9 levels rise due to global warming, and the shoreline erodes due
10 to storm surges and runoff.

11 Due to current resource limitations, the department of
12 transportation can only address the most critical locations that
13 are at greatest risks for failure. Infusion of additional
14 resources will allow the department to accelerate implementation
15 of corrective measures and proactively address more locations
16 that are at risk.

17 The goals of this modernization effort in the safety
18 performance category are to:

- 19 (1) Reduce the average number of lives lost on state
20 highways to one hundred or less per year;
- 21 (2) Bring fifty of the most deficient bridges up to
22 current structural design standards;



- 1 (3) Inspect all seven hundred sixty bridges in the
2 statewide highway system within a two-year cycle;
- 3 (4) Address the top fifteen sites identified in the rock
4 fall and slope stabilization program that are on the
5 most critical routes where severance of access would
6 have the greatest potential negative impact; and
- 7 (5) Address the top ten sites identified in the shoreline
8 protection program that are on the most critical
9 routes where severance of access would have the
10 greatest potential negative impact.
- 11 (e) To achieve these goals, the following projects must be
12 undertaken:
- 13 (1) The recommendations of the strategic highway safety
14 program in the seven areas of emphasis must be
15 implemented;
- 16 (2) Legislative and statutory changes must be approved as
17 part of the department of transportation's highway
18 safety initiative that are separate from and yet an
19 integral part of this highway modernization plan;
- 20 (3) The highway safety improvement program that targets
21 locations with high accident rates must be
22 implemented;



- 1 (4) The planning and design of the most critical bridges
2 identified in the bridge program must be accelerated
3 and federal funding pursued to the maximum extent
4 practicable should the federal infrastructure stimulus
5 plan be implemented;
- 6 (5) Remediation of fifteen sites identified as priority in
7 the rockfall and slope stabilization program must be
8 accelerated;
- 9 (6) Remediation of ten sites identified as priority in the
10 shoreline protection program must be accelerated; and
- 11 (7) Other critical projects identified in the guardrail
12 and shoulder improvement program and motor vehicle
13 safety program.
- 14 (f) Congestion: There are currently unacceptable levels
15 of congestion in every county. Unacceptable congestion
16 currently occurs on Queen Kaahumanu highway and on Keaau-Pahoa
17 road in the county of Hawaii, on Honoapiilani highway and on
18 Hana highway in the county of Maui, through the H-1 freeway
19 corridor and along Fort Weaver road in the city and county of
20 Honolulu, on Kuhio highway and on Kamualii highway in the county
21 of Kauai, and on many other facilities throughout the State.



1 The department of transportation pursues capacity and
2 congestion relief projects based on greatest need. Current
3 resource limitations and rising costs to implement the
4 improvements have resulted in a severe reduction of the number
5 and locations where necessary improvement can be pursued and the
6 deferral of projects that are of lesser priority.

7 Land use development patterns have also greatly contributed
8 to the exacerbation of congestion on the regional highway
9 system. While developers are required to mitigate the direct
10 impacts of their proposed projects, their regional impacts are
11 typically only a portion of the total regional improvements
12 needed to address current and future congestion.

13 Regional improvements are major and extremely expensive
14 undertakings that require significant resources to implement.
15 The indirect regional impacts of a development are also
16 difficult to definitively quantify. The department of
17 transportation typically receives only a small fraction of the
18 necessary funds needed to implement regional improvements
19 through developer exactions.

20 Rising costs, greater urbanization, and more comprehensive
21 environmental and legal requirements restrict the State's
22 ability to simply add capacity to reduce congestion. The stark



1 reality is that the State cannot build its way out of
2 congestion. The department of transportation has initiated
3 several new programs aimed at preserving and better managing the
4 existing statewide highway system. Resource limitations,
5 however, diminish the efficacy of these initiatives.

6 The goals of this modernization program in the congestion
7 performance category are to:

- 8 (1) Achieve a minimum of ten per cent reduction in
9 congestion along two major corridors within each
10 county within ten years;
- 11 (2) Achieve a ten per cent increase in overall operational
12 efficiency of the existing statewide infrastructure
13 system; and
- 14 (3) Achieve a ten per cent increase in the use of
15 alternative travel modes.

16 (g) The strategies to achieve these goals include the
17 infusion of additional capital that will provide the department
18 of transportation with the necessary resources to expedite the
19 implementation of thirty-five regional improvement projects
20 spread out over each county to aid in relieving congestion. The
21 department of transportation intends to programmatically address
22 recurring and non-recurring congestion. The department's goal



1 is to reduce recurring congestion by eliminating bottlenecks and
2 non-recurring congestion through the implementation of a freeway
3 management system that will respond to accidents or stalled
4 vehicles that contribute to congestion. The department further
5 intends to manage the existing land transportation highway
6 system more efficiently and effectively through the traffic
7 signal optimization program and other transportation system
8 management techniques. In addition, the department intends to
9 expand implementation of intelligent transportation systems
10 including the freeway management system. The department is
11 committed to expanding and enhancing multimodal and intermodal
12 options and facilities to provide greater alternative travel
13 choices. The department intends to enhance its current bicycle
14 and pedestrian programs to better promote, encourage, and
15 proactively pursue bicycle and pedestrian usage. The department
16 will also seek greater opportunities to facilitate transit use
17 and service.

18 (h) System preservation: Due to severe resource
19 limitations, the department of transportation has had to make
20 difficult choices and forgo necessary maintenance when possible
21 to divert resources to more critical programs as safety and
22 congestion. Forgoing basic preservation and preventive



1 maintenance, however, comes at a much greater long-term cost as
2 infrastructure deteriorates prematurely and requires greater
3 capital investment in the long run.

4 A significant infusion of additional capital will allow the
5 department of transportation to take appropriate and necessary
6 preventive action to extend the service life of a greater
7 portion of the existing infrastructure.

8 Investing in preventive maintenance not only extends the
9 service life of the facilities but can also aid in reducing
10 exposure to liability. Many claims filed against the State are
11 attributed to allegedly poor roadway conditions. Preserving the
12 infrastructure in better condition improves the overall safety
13 of the facilities and also reduces exposure to liability.

14 Pavement conditions, as measured by roughness and thus
15 "ride-ability", have been improving as the department has made
16 system preservation a higher priority and retained a base level
17 of funding committed to this program. The current average
18 pavement condition index rating is seventy-five statewide,
19 seventy-eight on Hawaii, eighty on Maui, seventy on Oahu, and
20 seventy-six on Kauai.

21 The goals of this modernization program in the system
22 preservation performance category are to achieve and maintain



1 seventy-five per cent of the infrastructure system within
2 nationally accepted guidelines for the infrastructure type
3 within ten years to achieve and maintain a pavement condition
4 index of eighty or higher on all roadways in the statewide
5 highway system.

6 The strategies to achieve these goals include performing
7 one hundred miles of pavement preservation every year and
8 increasing base systems preservation program expenditures to
9 ensure proper system preservation and preventive maintenance.

10 (i) Other initiatives: A major initiative of the
11 department is transparency and accountability to the public.
12 The department of transportation is committed to achieving this
13 through the development of appropriate performance criteria and
14 being transparent by reporting the department of
15 transportation's progress in achieving performance goals that
16 better reflect what the public understands.

17 Current practices are to measure regional congestion based
18 on volume-to-capacity ratio or levels-of-service, or both,
19 rather than on outcomes the public can better relate to as
20 travel time and delay. While current practices provide a
21 reliable means to prioritize capacity programs and projects,
22 volume-to-capacity does not easily translate into terms that the



1 general public understands. It also does not take into account
2 variations in local community tolerances and acceptance
3 regarding levels of congestion.

4 Through performance monitoring, the department of
5 transportation will be better able to direct its resources to
6 those programs and activities that provide the greatest public
7 benefit and value. Through transparency, the department will be
8 more accountable to the public in how the department prioritizes
9 and addresses programs and projects to meet core functional
10 needs.

11 The department of transportation's current practice is to
12 meet compliance thresholds as mandated by federal and state
13 regulations. Cultural, ecological, and archaeological resources
14 hold far greater public value than in the past. Recognizing the
15 value of these precious and unique resources, the department of
16 transportation is committed to their preservation through the
17 creation of a formalized environmental program and committing
18 greater resources to ensure impacts are minimized to the
19 greatest extent possible.

20 The department of transportation intends to gather and
21 disseminate more relevant and reliable real time information so
22 that motorists can make better, more informed decisions



1 regarding their personal travel. By providing reliable real
2 time information, motorist will know the severity of a
3 disruption allowing them the opportunity to adjust their routes
4 or planned travel time, or both. Real time information can also
5 aid in reducing overall driver anxiety and stress generated by
6 the unknown.

7 In addition to accelerating projects and programs, the
8 department of transportation is also committed to reviewing
9 alternative policies and initiatives that may be able to affect
10 the demand for travel, to explore alternative travel modes, and
11 ways to better manage the overall transportation system to
12 achieve greatest efficiency. The department also intends to
13 investigate opportunities to partner with other governmental
14 agencies to influence land use development patterns to reduce
15 overall need for travel and associated transportation impacts.

16 (j) Financial plan: As part of the overall financial plan
17 to generate the additional capital required for this
18 modernization program, the department requires increases in the
19 state liquid fuel tax, state vehicle registration fee, state
20 vehicle weight tax, and the rental motor vehicle surcharge tax.
21 Creation of a new special fund into which these additional
22 revenues will be placed is also required. The creation of this



1 special fund will allow for greater accountability and
2 transparency for the public and assure the public that the
3 increases in revenues are being appropriately used on programs
4 and projects that achieve the desired improvements in the
5 adopted performance categories.

6 The state liquid fuel tax, state vehicle registration fee,
7 and state vehicle weight tax, will be increased as follows:

8 (1) Increase the state tax on liquid fuel by cents
9 per gallon increase;

10 (2) Increase the state vehicle registration fee by \$;
11 and

12 (3) Increase the state vehicle weight tax.

13 The state liquid fuel tax, state vehicle registration fee,
14 state vehicle weight tax, and rental motor vehicle surcharge tax
15 are the major sources of revenues for the state highway fund.

16 Appropriations from the fund are used for the construction,
17 operation, and maintenance of the state highway system. The
18 highways financial plan relies on these revenues to support the
19 continued operations and maintenance of the state highway
20 system.

21 These revenues also serve as pledged revenues for highway
22 revenue bonds. The additional revenues derived from the



1 increased taxes and fees will help to increase the revenue
2 bonding capacity of the state highways program and provide
3 funding for additional capital improvement projects.

4 (k) Highway fuel license taxes: Highway fuel license
5 taxes consist of license taxes on fuel sold to motor vehicle
6 operators pursuant to chapter 243, Hawaii Revised Statutes. The
7 distributor of motor vehicle fuel pays the fuel license tax for
8 liquid fuel produced or imported by the distributor to be sold
9 or used by the distributor. Highway fuel license taxes are
10 currently assessed at a rate of 17 cents per gallon of gasoline
11 and diesel oil used for general highway purposes; and 2 cents
12 per gallon of gasoline, diesel oil, and liquid petroleum gas
13 used for non-highway purposes. The highway fuel license taxes
14 are collected by the department of taxation, which then
15 transfers the receipts to the state highway fund.

16 The rate of taxation on fuel increased significantly
17 between 1975 and 1991. Highway fuel license taxes increased in
18 1975 from 8.5 cents per gallon of gasoline and diesel oil and
19 6 cents per gallon of liquid petroleum gas, to 11 cents per
20 gallon of gasoline and diesel oil, and 8 cents per gallon of
21 liquid petroleum gas in 1985; and in 1991, to 16 cents per
22 gallon of gasoline and diesel oil and 11 cents per gallon of



1 liquid petroleum gas. The state fuel tax was increased to
2 17 cents per gallon for gasoline and diesel oil used for general
3 highway purposes, and 2 cents per gallon for gasoline, diesel
4 oil, and liquid petroleum gas used for non-highway purposes in
5 2007.

6 (l) Vehicle registration fees: All vehicles, including
7 motor vehicles, must be registered annually with one of the four
8 counties of the State. The vehicle owner must pay a state
9 registration fee of \$25 for each vehicle, pursuant to section
10 249-31, Hawaii Revised Statutes. The state vehicle registration
11 fee has been increased from \$1 per vehicle in 1979, to \$10 per
12 vehicle in 1985, to \$20 per vehicle in 1991, and to \$25 per
13 vehicle in 2004. From each annual motor vehicle registration
14 fee collected, \$20 is deposited into the state highway fund, and
15 \$5 into the emergency medical services special fund. The four
16 counties each collect the vehicle registration fee along with
17 their respective county registration fees and transfer the
18 State's portion of the vehicle registration fee into the state
19 highway fund.

20 (m) Vehicle weight taxes: All vehicles, including motor
21 vehicles, are assessed an annual state vehicle weight tax
22 pursuant to section 249-33, Hawaii Revised Statutes. The tax



1 rate is \$0.0075 per pound for vehicles less than 4,000 pounds;
2 \$0.01 per pound for vehicles between 4,001 and 7,000 pounds;
3 \$0.0125 per pound for vehicles between 7,001 and 10,000 pounds;
4 and \$150 per vehicle for vehicles over 10,000 pounds. Vehicle
5 weight taxes increased from a minimum rate of \$0.0045 per pound
6 to \$0.0050 per pound to \$0.0075 per pound and a maximum charge
7 of \$36 per vehicle to \$65 per vehicle to \$150 per vehicle over
8 the period from 1991 to 2002. The four counties each collect
9 the vehicle weight tax, along with their respective county
10 vehicle taxes, and transfer the State's portion of the vehicle
11 weight tax into the state highway fund.

12 (n) Transfers from the state highway fund: Due to the
13 dire need to heavily invest in the state land transportation
14 infrastructure system and the existence of a significant backlog
15 in maintenance of existing facilities, the transfer of funds
16 from the state highway fund and the new land transportation
17 modernization special fund must be strictly prohibited. The
18 department of transportation requires a secure, stable, and
19 reliable funding source to properly administer and manage the
20 extreme challenges faced by the state land transportation
21 infrastructure system.



1 Nationally, there is much discussion regarding a proposed
2 federal infrastructure stimulus plan to stimulate the national
3 economy. Should this federal initiative come to fruition, the
4 department of transportation must be prepared to actively pursue
5 the funds to the maximum extent practical. For this reason, the
6 department of transportation seeks authorization to pursue a
7 comprehensive six-year program that accounts for an infusion of
8 federal funds should federal infrastructure stimulus plan funds
9 become available.

10 Funding needed to operate and maintain the existing highway
11 infrastructure is estimated to cost \$7,000,000,000. Of this
12 \$7,000,000,000, the sum of \$1,960,000,000 is needed to address
13 safety program needs; \$1,530,000,000 to address preservation
14 program needs; \$150,000,000 to address congestion program needs;
15 \$3,100,000,000 to address capacity program needs; \$160,000,000
16 to address enhancement program needs; and \$100,000,000 to
17 address other program needs. At current funding levels of
18 \$250,000,000 per year, it will take over thirty years to reach
19 the estimated \$7,000,000,000 in current infrastructure and
20 programmatic needs.

21 The establishment of the land transportation modernization
22 special fund is proposed to accept deposits from the increase in



1 state liquid fuel taxes, state vehicle registration fees, state
2 vehicle weight taxes, and rental motor vehicle surcharge taxes.
3 Expenditures from the land transportation modernization special
4 fund shall be made for the purpose of the transportation
5 modernization program of the department of transportation
6 program.

7 The land transportation modernization special fund shall be
8 managed to allow for greater accountability and greater
9 transparency to the public and ensure the public that the
10 increases in revenues are being appropriately used on programs
11 and projects that achieve the desired improvements in the
12 adopted performance categories.

13 (o) The purpose of this Act is to:

14 (1) Increase the state liquid fuel tax, state vehicle
15 registration fee, and state vehicle weight fee;

16 (2) Create the land transportation modernization special
17 fund;

18 (3) Provide funding for a six-year comprehensive
19 modernization program;

20 (4) Implement one or more pilot programs to test
21 alternatives to current state and county system of
22 motor vehicle fuel taxes; and



1 (5) Require the department of transportation to implement
2 the vehicle miles traveled pilot program.

3 **PART II**

4 SECTION 2. (a) The department of transportation shall
5 establish the vehicle miles traveled pilot program.

6 Paying less and avoiding having to pay any liquid fuel tax
7 are often viewed as incentives for motorists to purchase or use
8 more fuel-efficient motor vehicles or motor vehicles that use
9 alternative sustainable fuel sources. The liquid fuel tax,
10 however, is the primary means of funding the infrastructure
11 improvements needed to support motor vehicular travel,
12 regardless of fuel type. As the use of fuel efficient and
13 alternative energy vehicles becomes more prevalent, less gas
14 will be consumed and liquid fuel tax collections will
15 correspondingly diminish. The current method of assessing the
16 motor vehicle liquid fuel tax on a per gallon basis will become
17 less and less effective at generating a stable revenue source to
18 fund the land transportation infrastructure program.

19 The current liquid fuel tax per gallon is also not indexed
20 to account for inflation or other cost escalation factors.
21 Political realities make it difficult to accomplish the periodic
22 raising of the liquid fuel tax to match inflation. The net



1 result is the continual erosion in the actual buying power of
2 the revenue collected.

3 As gas prices recently rose to historic highs, demand for
4 more fuel efficient vehicles also rose. This correlation shows
5 that the price of gas has a far greater influence than avoidance
6 of paying the liquid fuel tax on encouraging use of fuel
7 efficient vehicles and alternative energy use.

8 The number of miles each vehicle travels is a better gauge
9 of its actual use and associated impact on the land
10 transportation infrastructure. Thus the department proposes
11 establishment of a vehicle miles traveled pilot program.

12 (b) The department of transportation shall evaluate a
13 vehicle miles traveled user fee as a more equitable means of
14 assessing all users of the highway system a fee based on their
15 actual use and impact on the highways. This approach would
16 better correlate usage and fees and would provide a more
17 reliable and stable source of funds to administer and manage the
18 land transportation infrastructure system.

19 SECTION 3. The department of transportation shall develop
20 one or more pilot programs to test alternatives to the current
21 state and county system of motor vehicle fuel taxes. The pilot



1 programs may include programs to test the reliability, ease of
2 use, cost, and public acceptance of technology and methods for:

- 3 (1) Identifying vehicles;
- 4 (2) Collecting and reporting the number of miles traveled
5 by particular vehicles; and
- 6 (3) Collecting payments from or making payments to
7 participants in pilot programs.

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

11 "§248- Land transportation modernization special fund.

12 (a) There is established in the state treasury the land
13 transportation modernization special fund that excludes the
14 taxes and fees collected on any island with a total resident
15 population of less than twenty thousand persons, to be
16 administered by the department of transportation, into which
17 shall be deposited:

- 18 (1) A portion of the liquid fuel tax collected under
19 section 243-4(a), equal to cents per gallon of
20 liquid fuel;



1 (2) A portion of the state registration fee collected
2 under section 249-31, equal to \$ for each annual
3 motor vehicle registration fee collected;

4 (3) A portion of the annual state vehicle weight tax
5 collected under section 249-33(a), equal to
6 cents a pound for vehicles up to and including ten
7 thousand pounds net weight, and a rate of \$ per
8 vehicle for vehicles over ten thousand pounds net
9 weight;

10 (4) Interest from investment of deposits; and

11 (5) State and county appropriations;

12 (b) Moneys in the land transportation modernization
13 special fund shall be used for the purposes of Act , Session
14 Laws of Hawaii 2011, and shall be authorized for expenditure by
15 the department of transportation for payment of revenue bond
16 debt service, including principal and interest.

17 (c) The land transportation modernization special fund
18 shall be exempt from the requirements of sections 36-27 and
19 36-30."

20 SECTION 5. Section 36-27, Hawaii Revised Statutes, is
21 amended by amending subsection (a) to read as follows:



1 "(a) Except as provided in this section, and
2 notwithstanding any other law to the contrary, from time to
3 time, the director of finance, for the purpose of defraying the
4 prorated estimate of central service expenses of government in
5 relation to all special funds, except the:

6 (1) Special out-of-school time instructional program fund
7 under section 302A-1310;

8 (2) School cafeteria special funds of the department of
9 education;

10 (3) Special funds of the University of Hawaii;

11 (4) State educational facilities improvement special fund;

12 (5) Convention center enterprise special fund under
13 section 201B-8;

14 (6) Special funds established by section 206E-6;

15 (7) Housing loan program revenue bond special fund;

16 (8) Housing project bond special fund;

17 (9) Aloha Tower fund created by section 206J-17;

18 (10) Funds of the employees' retirement system created by
19 section 88-109;

20 (11) Unemployment compensation fund established under
21 section 383-121;



- 1 (12) Hawaii hurricane relief fund established under chapter
- 2 431P;
- 3 (13) Hawaii health systems corporation special funds and
- 4 the subaccounts of its regional system boards;
- 5 (14) Tourism special fund established under section
- 6 201B-11;
- 7 (15) Universal service fund established under section
- 8 269-42;
- 9 (16) Emergency and budget reserve fund under section
- 10 328L-3;
- 11 (17) Public schools special fees and charges fund under
- 12 section 302A-1130;
- 13 (18) Sport fish special fund under section 187A-9.5;
- 14 (19) Glass advance disposal fee established by section
- 15 342G-82;
- 16 (20) Center for nursing special fund under section
- 17 304A-2163;
- 18 (21) Passenger facility charge special fund established by
- 19 section 261-5.5;
- 20 (22) Court interpreting services revolving fund under
- 21 section 607-1.5;
- 22 (23) Hawaii cancer research special fund;



1 (24) Community health centers special fund;

2 (25) Emergency medical services special fund;

3 (26) Rental motor vehicle customer facility charge special

4 fund established under section 261-5.6; [and]

5 (27) Shared services technology special fund under section

6 27-43 [7]; and

7 (28) Land transportation modernization special fund

8 established under section 248- ;

9 shall deduct five per cent of all receipts of all special funds,

10 which deduction shall be transferred to the general fund of the

11 State and become general realizations of the State. All

12 officers of the State and other persons having power to allocate

13 or disburse any special funds shall cooperate with the director

14 in effecting these transfers. To determine the proper revenue

15 base upon which the central service assessment is to be

16 calculated, the director shall adopt rules pursuant to chapter

17 91 for the purpose of suspending or limiting the application of

18 the central service assessment of any fund. No later than

19 twenty days prior to the convening of each regular session of

20 the legislature, the director shall report all central service

21 assessments made during the preceding fiscal year.



1 SECTION 6. Section 36-30, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "Each special fund, except the:

- 4 (1) Transportation use special fund established by section
5 261D-1;
- 6 (2) Special out-of-school time instructional program fund
7 under section 302A-1310;
- 8 (3) School cafeteria special funds of the department of
9 education;
- 10 (4) Special funds of the University of Hawaii;
- 11 (5) State educational facilities improvement special fund;
- 12 (6) Special funds established by section 206E-6;
- 13 (7) Aloha Tower fund created by section 206J-17;
- 14 (8) Funds of the employees' retirement system created by
15 section 88-109;
- 16 (9) Unemployment compensation fund established under
17 section 383-121;
- 18 (10) Hawaii hurricane relief fund established under section
19 431P-2;
- 20 (11) Convention center enterprise special fund established
21 under section 201B-8;



- 1 (12) Hawaii health systems corporation special funds and
2 the subaccounts of its regional system boards;
- 3 (13) Tourism special fund established under section
4 201B-11;
- 5 (14) Universal service fund established under section
6 269-42;
- 7 (15) Emergency and budget reserve fund under section
8 328L-3;
- 9 (16) Public schools special fees and charges fund under
10 section 302A-1130;
- 11 (17) Sport fish special fund under section 187A-9.5;
- 12 (18) Center for nursing special fund under section
13 304A-2163;
- 14 (19) Passenger facility charge special fund established by
15 section 261-5.5;
- 16 (20) Court interpreting services revolving fund under
17 section 607-1.5;
- 18 (21) Hawaii cancer research special fund;
- 19 (22) Community health centers special fund;
- 20 (23) Emergency medical services special fund;
- 21 (24) Rental motor vehicle customer facility charge special
22 fund established under section 261-5.6; [and]



1 (25) Shared services technology special fund under section
2 27-43 [7]; and

3 (26) Land transportation modernization special fund
4 established under section 248- ;

5 shall be responsible for its pro rata share of the
6 administrative expenses incurred by the department responsible
7 for the operations supported by the special fund concerned."

8 SECTION 7. Section 243-4, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) Every distributor, in addition to any other taxes
11 provided by law, shall pay a license tax to the department of
12 taxation for each gallon of liquid fuel refined, manufactured,
13 produced, or compounded by the distributor and sold or used by
14 the distributor in the State or imported by the distributor, or
15 acquired by the distributor from persons who are not licensed
16 distributors, and sold or used by the distributor in the State.
17 Any person who sells or uses any liquid fuel, knowing that the
18 distributor from whom it was originally purchased has not paid
19 and is not paying the tax thereon, shall pay [such] a tax as
20 would have applied to [such] the sale or use by the distributor.
21 The rates of tax imposed are as follows:

22 (1) For each gallon of diesel oil, 2 cents;



- 1 (2) For each gallon of gasoline or other aviation fuel
2 sold for use in or used for airplanes, 2 cents;
- 3 (3) For each gallon of naphtha sold for use in a
4 power-generating facility, 2 cents;
- 5 (4) For each gallon of liquid fuel, other than fuel
6 mentioned in paragraphs (1), (2), and (3), and other
7 than an alternative fuel, sold or used in the city and
8 county of Honolulu, or sold in any county for ultimate
9 use in the city and county of Honolulu, [~~17~~] _____
10 cents state tax, and in addition thereto an amount, to
11 be known as the "city and county of Honolulu fuel
12 tax", as shall be levied pursuant to section 243-5;
- 13 (5) For each gallon of liquid fuel, other than fuel
14 mentioned in paragraphs (1), (2), and (3), and other
15 than an alternative fuel, sold or used in the county
16 of Hawaii, or sold in any county for ultimate use in
17 the county of Hawaii, [~~17~~] _____ cents state tax, and
18 in addition thereto an amount, to be known as the
19 "county of Hawaii fuel tax", as shall be levied
20 pursuant to section 243-5;
- 21 (6) For each gallon of liquid fuel, other than fuel
22 mentioned in paragraphs (1), (2), and (3), and other



1 than an alternative fuel, sold or used in the county
2 of Maui, or sold in any county for ultimate use in the
3 county of Maui, 17 cents state tax~~[7]~~ on any island
4 with a total resident population of less than twenty
5 thousand persons and _____ cents state tax everywhere
6 else, and in addition thereto an amount, to be known
7 as the "county of Maui fuel tax", as shall be levied
8 pursuant to section 243-5; and

9 (7) For each gallon of liquid fuel, other than fuel
10 mentioned in paragraphs (1), (2), and (3), and other
11 than an alternative fuel, sold or used in the county
12 of Kauai, or sold in any county for ultimate use in
13 the county of Kauai, [~~17~~] _____ cents state tax, and
14 in addition thereto an amount, to be known as the
15 "county of Kauai fuel tax", as shall be levied
16 pursuant to section 243-5.

17 If it is shown to the satisfaction of the department, based
18 upon proper records and from any other evidence as the
19 department may require, that liquid fuel, other than fuel
20 mentioned in paragraphs (1), (2), and (3), is used for
21 agricultural equipment that does not operate upon the public
22 highways of the State, the user thereof may obtain a refund of



1 all taxes thereon imposed by this section in excess of 1 cent
2 per gallon. The department shall adopt rules to administer
3 [such] refunds."

4 SECTION 8. Section 249-31, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§249-31 State registration fee.** (a) All vehicles and
7 motor vehicles in the State as defined in section 249-1,
8 including antique motor vehicles, except as otherwise provided
9 in sections 249-4 and 249-6, shall be subject to a [\$25] _____
10 annual vehicle registration fee[-] on any island with a total
11 resident population of less than twenty thousand persons and a
12 annual vehicle registration fee everywhere else. The fee shall
13 be paid each year together with all other taxes and fees levied
14 by this chapter on a staggered basis as established by each
15 county as authorized by section 286-51, and the state
16 registration for that county shall likewise be staggered so that
17 the state registration fee is due and payable at the same time
18 and shall be collected together with the county fee. The state
19 registration fee shall be deemed delinquent if not paid with the
20 county registration fee. The respective counties shall collect
21 this fee together with the vehicle registration tax collected



1 for the county and shall transfer the moneys collected under
2 this section to the State.

3 (b) From each annual motor vehicle registration fee, the
4 director shall deposit \$20 into the state highway fund and \$5
5 into the emergency medical services special fund. The director
6 of transportation shall also deposit \$ _____ into the land
7 transportation modernization special fund from each motor
8 vehicle registration fee, except for those annual motor vehicle
9 registrations on any island with a total resident population of
10 less than twenty thousand persons."

11 SECTION 9. Section 249-33, Hawaii Revised Statutes, is
12 amended by amending subsection (a) to read as follows:

13 "(a) All vehicles and motor vehicles in the State as
14 defined in section 249-1, including antique motor vehicles,
15 except as otherwise provided in sections 249-3 to 249-6, in
16 addition to all other fees and taxes levied by this chapter,
17 shall be subject to an annual state vehicle weight tax. The tax
18 shall be levied by the county director of finance at the rate of
19 [-75] _____ cents a pound on any island with a total resident
20 population of less than twenty thousand persons, and _____ cents
21 a pound everywhere else according to the net weight of each
22 vehicle as the "net weight" is defined in section 249-1 up to



1 and including four thousand pounds net weight; vehicles over
 2 four thousand pounds and up to and including seven thousand
 3 pounds net weight shall be taxed at the rate of [~~1.00-cent~~]
 4 cents a pound[+] on any island with a total resident
 5 population of less than twenty thousand persons, and cents
 6 a pound everywhere else; vehicles over seven thousand pounds and
 7 up to and including ten thousand pounds net weight shall be
 8 taxed at the rate of [1.25] cents a pound[+] on any island
 9 with a total resident population of less than twenty thousand
 10 persons, and cents a pound everywhere else; vehicles over
 11 ten thousand pounds net weight shall be taxed at a flat rate of
 12 [\$150] \$ on any island with a total resident population of
 13 less than twenty thousand persons, and \$ everywhere else."

PART III

15 SECTION 10. The department of transportation is authorized
 16 to issue highway revenue bonds for highway capital improvement
 17 projects authorized by the general appropriations Act of 2011,
 18 and for the purposes of this Act, designated to be financed by
 19 revenue bond funds with the debt service to be paid from special
 20 funds.

21 SECTION 11. The department of transportation shall be
 22 authorized to expend funds for the implementation of the



1 projects and programs listed below. Accounting of the
2 appropriations by the department of accounting and general
3 services shall be based on the projects as the projects are
4 listed in this section. Several related or similar projects may
5 be combined into a single project if the combination is
6 advantageous or convenient for implementation; and provided
7 further that the total cost of the projects thus combined shall
8 not exceed the total of the sum specified for the projects
9 separately. The amount after each cost element and the total
10 funding for each project listed in this part are in thousands of
11 dollars.

12 1. SAFETY PROGRAM - Strategic highway safety program: Seven
13 emphasis areas of the strategic highway safety plan that
14 will reduce the number and severity of traffic-related
15 injuries and deaths on Hawaii's roadways.

16 (A) Putting the brakes on aggressive
17 driving.

18 Total funding \$

19 (B) Combating impaired driving.

20 Total funding \$

21 (C) Protecting vehicle occupants.

22 Total funding \$



1 (D) Safeguarding pedestrians and
2 bicyclists.

3 Total funding \$

4 (E) Ensuring motorcycle and moped
5 safety.

6 Total funding \$

7 (F) Building safer roadways by design.

8 Total funding \$

9 (G) Improving data and safety
10 management systems.

11 Total funding \$

12 2. SAFETY PROGRAM - Highway safety improvement program:
13 Safety improvements statewide in which scope may include
14 but is not limited to intersection channelization,
15 installation of milled rumble strips on centerline and
16 shoulders, superelevation assessment along entire segment,
17 pavement markings, and signing.

18 Total funding \$

19 3. SAFETY PROGRAM - Bridge program: Bridge program includes
20 bridge replacement, rehabilitation, widening, repair, lead
21 abatement and inspection; seismic retrofit and tunneling.



1 (A) Oahu - Kamehameha Highway, Hoolapa Stream (Nanahu)
2 Bridge replacement: design and construction of
3 Hoolapa Stream (Nanahu) Bridge replacement on
4 Kamehameha Highway.

5 Total funding \$

6 (B) Oahu - Kamehameha Highway, Makaua Stream Bridge
7 rehabilitation: design and construction of Makaua
8 Stream Bridge rehabilitation on Kamehameha Highway.

9 Total funding \$

10 (C) Oahu - Kamehameha Highway, Waikane Stream Bridge
11 rehabilitation: design and construction of Waikane
12 Stream Bridge rehabilitation on Kamehameha Highway.

13 Total funding \$

14 (D) Oahu - Kamehameha Highway, Kalauoa Springs Stream
15 Bridge replacement: design and construction of
16 Kalauoa Springs Stream Bridge replacement on
17 Kamehameha Highway.

18 Total funding \$

19 (E) Oahu - Bridge, rehabilitation, replacement, or seismic
20 retrofit includes design, right-of-way, and
21 construction for rehabilitation, replacement, and
22 seismic retrofit of bridges at various locations.



1 Interstate H-1, H-2, and H-3 structures Kalaniana'ole
2 Highway, Inaole Stream Bridge, Waimanalo Kamehameha
3 Highway, Waiahole Bridge replacement Kamehameha
4 Highway, Kaipapau Stream Bridge rehabilitation
5 Kamehameha Highway, Kawela Stream Bridge
6 replacement/rehabilitation Kamehameha Highway, Makaha
7 Bridges #3 and #3A replacement Kamehameha Highway,
8 Kaluanui Stream Bridge replacement.

9 Total funding \$

10 (F) Hawaii Belt Road, Hilea Stream Bridge replacement:
11 design and construction of Hilea Stream Bridge
12 replacement on Hawaii Belt Road.

13 Total funding \$

14 (G) Hawaii - Bridge, rehabilitation, replacement, or
15 seismic retrofit includes design, right-of-way, and
16 construction for rehabilitation, replacement, and
17 seismic retrofit of bridges at various locations.
18 Hawaii Belt Road, Pahoehoe Stream Bridge replacement
19 Kawaihae Road, Waiaka Stream Bridge replacement and
20 realignment of approaches.

21 Total funding \$



1 (H) Maui - Kula Highway, Kaipoi Stream Bridge
2 rehabilitation: design and construction for Kaipoi
3 Stream Bridge rehabilitation on Kula Highway.

4 Total funding \$

5 (I) Maui - Hana Highway, bridge preservation plan: plan
6 for preservation of bridges on Hana Highway.

7 Total funding \$

8 (J) Maui - Hana Highway, structural strengthening of
9 various bridges.

10 Total funding \$

11 (K) Maui - Hana Highway, Mokulehua Stream Bridge
12 rehabilitation/replacement: design and construction
13 for Mokulehua Stream Bridge rehabilitation/replacement
14 on Hana Highway.

15 Total funding \$

16 (L) Maui - Hana Highway, Kopiliula Stream Bridge
17 Rehabilitation/Replacement: design and construction
18 for Kopiliula Stream Bridge replacement on Hana
19 Highway.

20 Total funding \$

21 (M) Molokai - Kamehameha Highway V, Kamiloloa Stream
22 Bridge rehabilitation: design and construction of



1 Kamiloloa Stream Bridge rehabilitation on Kamehameha
2 Highway V.

3 Total funding \$

4 (N) Maui - Bridge, rehabilitation, replacement, or seismic
5 retrofit includes design, right-of-way, and
6 construction for rehabilitation, replacement, and
7 seismic retrofit of bridges at various locations.
8 Waiehu Beach Road, Iao Stream Bridge rehabilitation
9 Honoapiilani Highway, Honolulu Bridge replacement
10 Kamehameha V Highway, Kawela Stream Bridge
11 replacement, Molokai Kamehameha V Highway, Makakupaia
12 Stream Bridge replacement, Molokai.

13 Total funding \$

14 (O) Kauai - Kuhio Highway, Waioli, Waipa and Waikoko
15 Stream Bridges replacement: design and construction of
16 Waioli, Waipa and Waikoko Stream Bridges replacement
17 on Kuhio Highway.

18 Total funding \$

19 (P) Kauai - Bridge, rehabilitation, replacement, or
20 seismic retrofit includes design, right-of-way, and
21 construction for rehabilitation, replacement, and
22 seismic retrofit of bridges at various locations.



1 Kuhio Highway, Kapaia Bridge replacement Kaumualii
2 Highway, Omao Bridge rehabilitation.

3 Total Funding \$

4 (Q) Statewide - Bridge inspection and appraisal: bridge
5 inspection and appraisal at various bridges statewide.

6 Total funding \$

7 4. SAFETY PROGRAM - Rockfall and slope stabilization program

8 (A) Oahu - Rockfall protection (Haleiwa, Kahuku, Pali
9 Highway): design and construction of rockfall
10 protection for Haleiwa, Kahuku and the Pali Highway
11 areas.

12 Total funding \$

13 (B) Oahu - Interstate Route H-1, School Street on-ramp
14 retaining wall replacement: construction of School
15 Street on-ramp retaining wall replacement.

16 Total funding \$

17 (C) Oahu - Kamehameha Highway, rockfall protection,
18 vicinity of Wahiawa Town: design and construction of
19 rockfall protection on Kamehameha Highway in the
20 vicinity of Wahiawa Town.

21 Total funding \$



1 (D) Oahu - Kamehameha Highway, rockfall protection,
2 vicinity of North Shore: design and construction of
3 rockfall protection on Kamehameha Highway in the
4 vicinity of North Shore.

5 Total funding \$

6 (E) Hawaii - Hawaii Belt Road, rockfall protection phase I
7 and II: construction of rockfall protection on Hawaii
8 Belt Road.

9 Total funding \$

10 (F) Hawaii - Hawaii Belt Road, rockfall protection at
11 various locations: design and construction of
12 rockfall protection on Hawaii Belt Road at various
13 locations.

14 Total funding \$

15 (G) Maui - Hana Highway slope stabilization and
16 Honoapiilani Highway rockfall protection: plans for
17 Hana Highway slope stabilization and Honoapiilani
18 Highway rockfall protection.

19 Total funding \$

20 (H) Kauai - Kuhio Highway, slope protection, vicinity of
21 Wainiha Bay: design and construction of Kuhio Highway
22 slope protection in the vicinity of Wainiha Bay.



1 Total funding \$
2 (I) Kauai - Kuhio Highway slope stabilization, vicinity of
3 Hanalei Bridge: construction of Kuhio Highway slope
4 stabilization in the vicinity of Hanalei Bridge.

5 Total funding \$
6 (J) Kauai - Kuhio Highway retaining walls at Lumahai and
7 Wainiha: plan, design, and construction of retaining
8 walls at Lumahai and Wainiha.

9 Total funding \$
10 (K) Statewide - Rockfall and slope stabilization
11 inspection: rockfall and slope stabilization
12 inspection at various locations statewide.

13 Total funding \$

14 5. SAFETY PROGRAM - Shoreline protection program

15 (A) Oahu - Kamehameha Highway, shoreline protection,
16 vicinity of Punaluu: design and construction of
17 shoreline protection for Punaluu area.

18 Total funding \$

19 (B) Oahu - Kamehameha Highway realignment, Haleiwa to
20 Waimea Bay: design of Kamehameha Highway realignment
21 from Haleiwa to Waimea Bay.

22 Total funding \$



1 (C) Oahu - Kamehameha Highway, shoreline protection,
2 vicinity of Hauula: design and construction of
3 Kamehameha Highway shoreline protection in the
4 vicinity of Hauula.

5 Total funding \$

6 (D) Oahu - Kamehameha Highway, shoreline protection,
7 vicinity of Kaaawa: design and construction of
8 Kamehameha Highway shoreline protection in the
9 vicinity of Kaaawa.

10 Total funding \$

11 (E) Oahu - Kamehameha Highway, shoreline protection,
12 vicinity of Kawaiiloa Beach: design Kamehameha Highway
13 shoreline protection in the vicinity of Kawaiiloa
14 Beach.

15 Total funding \$

16 (F) Hawaii - Hilo Bayfront Highway, shoreline protection:
17 construction of shoreline protection along Hilo
18 Bayfront Highway.

19 Total funding \$

20 (G) Hawaii - East Hawaii, shoreline protection: design
21 and construction of shoreline protection along East
22 Hawaii.



1 Total funding \$

2 (H) Maui - Shoreline Protection (Launiupoko, Olowalu,
3 Niaupala Fishpond, Wailua-Kumimi, Kealia Pond):
4 design and construction of shoreline protection in
5 Launiupoko, Olowalu, Niaupala Fishpond, Wailua-Kumimi
6 and Kealia Pond areas.

7 Total funding \$

8 (I) Maui - Honoapiilani Highway, shoreline protection:
9 design and construction of shoreline protection along
10 Honoapiilani Highway.

11 Total funding \$

12 (J) Maui - Kahului Beach Road, shoreline protection:
13 design and construction of shoreline protection along
14 Kahului Beach Road.

15 Total funding \$

16 (K) Maui - North Kihei Road, shoreline protection: design
17 and construction of shoreline protection along North
18 Kihei Road.

19 Total funding \$

20 (L) Kauai - Kuhio Highway, shoreline protection, vicinity
21 of Hanalei Bay: construction of shoreline protection
22 in the Hanalei Bay area.

1 Total funding \$
2 (M) Kauai - East Kauai, shoreline protection: design and
3 construction of shoreline protection in East Kauai.

4 Total funding \$

5 (N) Statewide - Shoreline inspection: shoreline
6 inspection at various locations statewide.

7 Total funding \$

8 6. SAFETY PROGRAM - Guardrail and shoulder improvement program

9 (A) Oahu - Guardrail and shoulder improvements: guardrail
10 and shoulder improvements at various locations.

11 Total funding \$

12 (B) Hawaii - Guardrail and shoulder improvements:
13 guardrail and shoulder improvements at various
14 locations.

15 Total funding \$

16 (C) Maui - Guardrail and shoulder improvements: guardrail
17 and shoulder improvements at various locations.

18 Total funding \$

19 (D) Kauai - Guardrail and shoulder improvements:
20 guardrail and shoulder improvements at various
21 locations.

22 Total funding \$



1 7. SAFETY PROGRAM - Motor vehicle safety program: motor
2 carrier and highway safety and sign and traffic signal
3 management.

4 (A) Statewide - Other facility improvements: plans,
5 designs, construction, and equipment for facility
6 improvements.

7 Total funding \$

8 8. CONGESTION PROGRAM - Capacity program

9 (A) Oahu - Kalaniana'ole Highway improvements, Olomana Golf
10 Course to Waimanalo Beach Park, phase I and II
11 Construction of improvements on Kalaniana'ole Highway
12 from Olomana Golf Course to Waimanalo Beach Park.

13 Total funding \$

14 (B) Oahu - PM contraflow from Paiwa interchange to Waiawa
15 interchange, phase I: design and construction of
16 phase I of the PM contraflow lane from Paiwa
17 interchange to Waiawa interchange.

18 Total funding \$

19 (C) Oahu - Intersection operational improvements to reduce
20 congestion: design and construction of various
21 intersection operational improvements aimed to reduce
22 congestion at various locations.



1 Total funding \$
2 (D) Oahu - Interstate Route H-1 corridor improvements:
3 plans for various H-1 corridor improvements.
4 Total funding \$
5 (E) Oahu - Interstate Route H-1, Lunalilo Street off-/on-
6 ramp: design for Lunalilo Street on-ramp and off-ramp
7 improvements.
8 Total funding \$
9 (F) Oahu - Interstate Route H-1, Kunia interchange
10 improvements: plans for Kunia interchange
11 improvements.
12 Total funding \$
13 (G) Oahu - Fort Barrette Road widening, Farrington Highway
14 to Barbers Point Gate: construction for Fort Barrette
15 Road widening from Farrington Highway to Barbers Point
16 Gate.
17 Total funding \$
18 (H) Oahu - Interstate Route H-1, Kapolei interchange,
19 phase II: construction of phase II of Kapolei
20 interchange on H-1.
21 Total funding \$



1 (I) Oahu - Interstate Route H-1, eastbound, Ward Avenue
 2 on-ramp to University interchange: design of H-1
 3 eastbound improvements from Ward Avenue on-ramp to
 4 University interchange.

5 Total funding \$

6 (J) Oahu - Interstate Route H-1, Waiawa interchange,
 7 Westbound, Waipahu off-ramp improvements: design of
 8 Waipahu off-ramp improvements at the Waiawa
 9 interchange westbound.

10 Total funding \$

11 (K) Oahu - Interstate Route H-1 widening, eastbound, Waiiau
 12 Interchange to Halawa interchange, phase I: design of
 13 H-1 widening eastbound from Waiiau interchange to
 14 Halawa interchange, phase I.

15 Total funding \$

16 (L) Oahu - PM contraflow from Keehi interchange to Waiawa
 17 interchange, phase II; design and construction of
 18 phase II of the PM contraflow lane from Keehi
 19 interchange to Waiawa interchange.

20 Total funding \$

21 (M) Oahu - Interstate Route H-1, eastbound improvements,
 22 vicinity of Ola Lane to vicinity of Vineyard off-ramp:



1 construction of H-1 eastbound improvements in the
2 vicinity of Ola Lane to Vineyard off-ramp.

3 Total funding \$

4 (N) Oahu - Nimitz Viaduct, Keehi interchange to Pacific
5 Street: planning, design, right-of-way, and
6 construction for Nimitz Viaduct from Keehi interchange
7 to Pacific Street.

8 Total funding \$

9 (O) Hawaii - Intersection operational improvements to
10 reduce congestion: construction of various
11 intersection operational improvements aimed to reduce
12 congestion at various locations.

13 Total funding \$

14 (P) Hawaii - Queen Kaahumanu Highway, Keahole Airport to
15 Kawaihae Harbor.

16 Total funding \$

17 (Q) Hawaii - Hawaii Belt Road, Mud Lane to the Kamuela
18 Race Track (Waimea Bypass): right-of-way and
19 construction for the Hawaii Belt Road from Mud Lane to
20 the Kamuela Race Track.

21 Total funding \$



1 (R) Hawaii - Puainako Street Widening, Kanoelehua Avenue
2 to Komohana Street, phase I and II; design of phase I
3 and II of Puainako Street widening from Kanoelehua
4 Avenue to Komohana Street.

5 Total funding \$

6 (S) Hawaii - Kealakehe Parkway Extension, Keanalehu Drive
7 to Kealakaa Street: design and right-of-way for
8 Kealakehe Parkway Extension from Keanalehu Drive to
9 Kealakaa Street.

10 Total funding \$

11 (T) Hawaii - Keaau-Pahoa Road shoulder lane conversion,
12 Keaau Bypass Road to Shower Drive; construction of the
13 Keaau-Pahoa Road shoulder lane conversion from Keaau
14 Bypass Road to Shower Drive.

15 Total funding \$

16 (U) Hawaii - Keaau-Pahoa Road improvements, Keaau to
17 Pahoa, phase I and II; design of phase I and II
18 improvements of Keaau-Pahoa Road from Keaau to Pahoa.

19 Total funding \$

20 (V) Hawaii - Kuakini Highway Widening, Henry Street to
21 Kamehameha III Road: design, right-of-way, and



1 construction for Kuakini Highway widening from Henry
2 Street to Kamehameha III Road.

3 Total funding \$

4 (W) Hawaii - Kawaihae Road Bypass, Waimea to Kawaihae,
5 phase I and II: design, right-of-way, and
6 construction for phase I and II of the Kawaihae Road
7 Bypass from Waimea to Kawaihae.

8 Total funding \$

9 (X) Maui - Intersection operational improvements to reduce
10 congestion: construction of various intersection
11 operational improvements aimed to reduce congestion at
12 various locations.

13 Total funding \$

14 (Y) Maui - Kahului Airport Access Road: construction of
15 Kahului Airport Access Road.

16 Total funding \$

17 (Z) Maui - Paia Bypass Road Design Paia Bypass Road.

18 Total funding \$

19 (AA) Maui - Honoapiilani Highway widening, Maalaea to
20 Launiupoko: design of Honoapiilani Highway widening
21 from Maalaea to Launiupoko.

22 Total funding \$



1 (BB) Maui - Lahaina Bypass, phase 1B1, 1B2 and 1C:
2 planning, design, right-of-way, and construction for
3 various phases of the Lahaina Bypass.

4 Total funding \$

5 (CC) Maui - Puunene Avenue widening, Wakea Avenue to
6 Kuihelani Highway: design, right-of-way, and
7 construction for Puunene Avenue widening, from Wakea
8 Avenue to Kuihelani Highway.

9 Total funding \$

10 (DD) Maui - Hana Highway widening, Kaahumanu Ave to
11 vicinity of Airport Access Road: design, right-of-
12 way, and construction for Hana Highway widening, from
13 Kaahumanu Avenue to the vicinity of Airport Access
14 Road.

15 Total funding \$

16 (EE) Maui - Kihei-Upcountry Road, phase I and II: right-
17 of-way and construction for phase I and II of the
18 Kihei-Upcountry Road.

19 Total funding \$

20 (FF) Kauai - Intersection operational improvements to
21 reduce congestion: design, right-of-way, and
22 construction for various intersection operational



1 improvements aimed to reduce congestion at various
2 locations.

3 Total funding \$

4 (GG) Kauai - Kapule Highway Widening, Kuhio Highway to Rice
5 Street: plan for Kapule Highway widening from Kuhio
6 Highway to Rice Street.

7 Total funding \$

8 (HH) Kauai - Puhi-Hanamaulu, alternate route: plan for
9 Puhi-Hanamaulu alternate route.

10 Total funding \$

11 (II) Kauai - Kuhio Highway improvements, Hanamaulu to
12 Kapaa, phase I: design of Kuhio Highway improvements
13 from Hanamaulu to Kapaa, phase I.

14 Total funding \$

15 (JJ) Kauai - Kuhio Highway, short term improvements, Kuamoo
16 Road to Temporary Bypass Road: construction of short
17 term improvements on Kuhio Highway from Kuamoo Road to
18 the Temporary Bypass Road.

19 Total funding \$

20 (KK) Kauai - Kaumualii Highway widening, phase I: design,
21 right-of-way, and construction for Kaumualii Highway
22 widening, phase I.



1 Total funding \$

2 9. CONGESTION PROGRAM - Freeway Management System (FMS)
3 Program, phases 1 through 4, system manager,
4 operation/maintenance and freeway service patrol, Oahu:
5 design and construction for Oahu's freeway management
6 system, which includes traveler information and incident
7 management.

8 Total funding \$

9 10. CONGESTION PROGRAM - Traffic signal optimization program,
10 various locations, Oahu: synchronized traffic signal
11 programming at various locations.

12 Total funding \$

13 11. CONGESTION PROGRAM - Bicycle program
14 (A) Oahu - Leeward Bikeway, phase I and II, Waipio Point
15 Access Road to Lualualei Naval Road: design, right-of-
16 way, and construction for Leeward Bikeway, phase I
17 and II.

18 Total funding \$

19 (B) Oahu - Kalaniana'ole Highway bicycle improvements,
20 Waimanalo Beach Park to Makapuu Lookout: construction
21 of bicycle improvements on Kalaniana'ole Highway from
22 Waimanalo Beach Park to Makapuu Lookout.



1		Total funding	\$
2	(C)	Maui - Other bikeway improvements: construction of	
3		improvements such as signage, bike pullouts, and	
4		improved shoulders.	
5		Total funding	\$
6	(D)	Statewide - Bicycle improvements that are incorporated	
7		in safety, congestion, and system preservation	
8		projects statewide.	
9		Total funding	\$
10	12.	CONGESTION PROGRAM - Pedestrian program	
11	(A)	Pedestrian work is incorporated in safety, congestion,	
12		and system preservation projects statewide.	
13		Total funding	\$
14	(B)	ADA compliance projects.	
15		Total funding	\$
16	(C)	Pedestrian countdown timers, phase II.	
17		Total funding	\$
18	13.	SYSTEM PRESERVATION PROGRAM - Pavement preservation	
19	(A)	Oahu - Pavement preservation.	
20		Total funding	\$
21	(B)	Hawaii - Pavement preservation.	
22		Total funding	\$



1 (C) Maui - Pavement preservation.

2 Total funding \$

3 (D) Kauai - Pavement preservation.

4 Total funding \$

5 14. SYSTEM PRESERVATION PROGRAM - Rehabilitation program

6 (A) Oahu - Interstate Route H-1, Pearl City and Waimalu
7 Viaduct improvements, phases 1, 2, 3, and 4: design
8 and construction for various phases of H-1 Pearl City
9 and Waimalu Viaduct improvements.

10 Total funding \$

11 (B) Hawaii - Akoni Pule Highway realignment and widening
12 at Aamakao Gulch: right-of-way and construction of
13 Akoni Pule Highway realignment and widening at Aamakao
14 Gulch.

15 Total funding \$

16 (C) Kauai - Waimea Canyon Drive/Kokee Road improvements:
17 design of improvements at Waimea Canyon Drive and
18 Kokee Road.

19 Total funding \$

20 15. SYSTEM PRESERVATION PROGRAM - Drainage improvement program



1 (A) Oahu - Drainage improvements: right-of-way and
2 construction for drainage improvements at various
3 locations.

4 Total funding \$

5 (B) Hawaii - Drainage improvements: design, right-of-way
6 and construction for drainage improvements at various
7 locations.

8 Total funding \$

9 (C) Maui - Drainage improvements: design, right-of-way
10 and construction for drainage improvements at various
11 locations.

12 Total funding \$

13 (D) Kauai - Drainage improvements: design, right-of-way
14 and construction for drainage improvements at various
15 locations.

16 Total funding \$

17 (E) Statewide - Drainage improvements: design, right-of-
18 way and construction for drainage improvements at
19 various locations.

20 Total funding \$

21 16. SYSTEM PRESERVATION PROGRAM - Street light pole replacement
22 program



1 (A) Oahu - Highway lighting improvements: lighting
2 improvements on Interstate Route H-1, Kamehameha
3 Highway and Moanalua Freeway.

4 Total funding \$

5 17. SYSTEM PRESERVATION PROGRAM - Destination sign replacement
6 program

7 (A) Interstate Route H-1, H-2, H-3, and Moanalua Freeway,
8 Destination sign upgrade/replacement, phase I and II.

9 Total funding \$

10 18. SYSTEM PRESERVATION PROGRAM - Special maintenance program:
11 asphalt overlays, asphalt cold planning and paving
12 (in-kind), and re-striping.

13 (A) Oahu - Special maintenance.

14 Total funding \$

15 (B) Hawaii - Special maintenance.

16 Total funding \$

17 (C) Maui - Special maintenance.

18 Total funding \$

19 (D) Kauai - Special maintenance.

20 Total funding \$



1 19. SYSTEM PRESERVATION PROGRAM - Operations and maintenance
 2 program: pavement sealing, pothole patching, and crack
 3 filling.

4 (A) Oahu - Operations and maintenance.

5 Total funding \$

6 (B) Hawaii - Operations and maintenance.

7 Total funding \$

8 (C) Maui - Operations and maintenance.

9 Total funding \$

10 (D) Kauai - Operations and maintenance.

11 Total funding \$

12 20. SYSTEM PRESERVATION PROGRAM - Landscaping program

13 (A) Oahu - Landscaping improvements: various locations
 14 right-of-way and construction for landscaping
 15 improvements at various locations.

16 Total funding \$

17 (B) Maui - Hana Highway/Kaahumanu Avenue beautification,
 18 Dairy Road to Nanihoa Overpass.

19 Total funding \$

20 21. OTHER PROGRAMS - Highway modernization plan

21 (A) Statewide - Highway modernization plan and program
 22 management.



1 Total funding \$

2 22. OTHER PROGRAMS - Traffic counting stations

3 (A) Statewide - Traffic counting stations, various

4 locations, phase II.

5 Total funding \$

6 23. OTHER PROGRAMS - Facility improvements

7 (A) Hawaii - District baseyard improvements.

8 Total funding \$

9 (B) Maui - District baseyard improvements Baseyard

10 improvements for West Maui, Lanai, and Molokai.

11 Total funding \$

12 24. OTHER PROGRAMS - Staff labor

13 (A) Statewide - Highways Division staff labor costs.

14 Total funding \$

15 25. OTHER PROGRAMS - Environmental program

16 (A) Oahu - Kamehameha Highway wetland enhancement,

17 vicinity of Ukoa Pond.

18 Total funding \$

19 (B) Statewide - Work to comply with EPA.

20 Total funding \$

21 26. OTHER PROGRAMS - Highway planning program

22 (A) Statewide - Highway planning program.



1 Total funding \$

2 SECTION 12. The department of taxation may refund motor
3 vehicle fuel taxes paid by participants in pilot programs under
4 this Act. The department of taxation may otherwise compensate
5 participants in pilot programs under this Act. Any compensation
6 to participants in pilot programs under this Act may be
7 administered uniformly or may be administered as a sweepstakes.
8 The department of taxation may terminate a pilot program at any
9 time and may terminate participation by any person at any time.
10 Termination from a pilot program under this Act shall not
11 entitle any person to additional compensation.

12 SECTION 13. The department of transportation shall provide
13 staff and administrative services necessary for purposes of this
14 Act. Without regard to chapters 76 and 89, Hawaii Revised
15 Statutes, the department may employ, fix compensation, and at
16 its pleasure dismiss persons as it finds necessary for purposes
17 of this Act. Services shall include authorization to execute a
18 master agreement with a consultant to be the overall program
19 manager to facilitate the implementation of this effort.

20 SECTION 14. In addition to other moneys appropriated by
21 the general appropriations Act of 2011 in fiscal year 2011-2012
22 for highway administration (TRN 595), highway planning,



1 statewide, item no. C- , there is appropriated an additional
2 sum of \$ of highway revenue bonds, and the sum of
3 \$ of federal funds, of which \$ may be
4 designated for the execution of a master agreement with a
5 consultant under section 13 of this Act, and the additional sum
6 of \$ of highway revenue bonds, and the sum of
7 \$ of federal funds for the vehicle miles tax pilot
8 program under sections 2 and 3 of this Act, or so much thereof
9 as may be necessary to carry out the purposes of this Act,
10 including any necessary expenditures for expenses, staff, or
11 consultants.

12 The sums appropriated shall be expended by the department
13 of transportation. This project is deemed necessary to qualify
14 for federal aid financing and reimbursement.

15 SECTION 15. If additional federal funds become available
16 for land transportation infrastructure improvements under the
17 economic stimulus plan or similar program, the department of
18 transportation is authorized to pursue, apply, and expend
19 federal funds on any of the programs or projects identified in
20 section 11 notwithstanding any other law to the contrary.



1 SECTION 16. Notwithstanding any other law to the contrary,
2 the appropriations authorized under this Act shall not lapse for
3 a period of six years from the date of execution.

4 SECTION 17. The department of transportation shall submit
5 an interim progress report on the status of the land
6 transportation modernization program to the legislature not
7 later than twenty days prior to the convening of the regular
8 session of 2013, yearly progress reports to the legislature not
9 later than twenty days prior to the convening of each regular
10 session thereafter, and a final report to the legislature not
11 later than twenty days prior to the convening of the regular
12 session of 2018. The department of transportation shall submit
13 a final report on the vehicle miles traveled pilot program to
14 the legislature not later than twenty days prior to the
15 convening of the regular session of 2014 with findings and
16 recommendations from the pilot program under this Act.

17 SECTION 18. In codifying this Act, the revisor of statutes
18 shall insert the corresponding Act number of this Act in the
19 appropriate places in section 4 of this Act.

20 SECTION 19. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 20. This Act shall take effect on July 1, 2011;
2 provided that:

3 (1) The amendments made to section 36-27, Hawaii Revised
4 Statutes, by section 5 of this Act shall not be
5 repealed when that section is reenacted on June 30,
6 2015; pursuant to Act 79, Session Laws of Hawaii 2009;

7 (2) The amendments made to section 36-30, Hawaii Revised
8 Statutes, by section 6 of this Act shall not be
9 repealed when that section is reenacted on June 30,
10 2015 by pursuant to Act 79, Session Laws of Hawaii
11 2009; and

12 (3) The amendments made to section 243-4, Hawaii Revised
13 Statutes, by section 7 of this Act shall not be
14 repealed when that section is reenacted on
15 December 31, 2012 pursuant to Act 198, Session Laws of
16 Hawaii 2009.
17

INTRODUCED BY:

Gillian Kabele

A. Alani Eghigian

Maunaloa

Clemona Neshika



Report Title:

Highway Modernization Program; Taxes; Fees; Pilot Programs

Description:

Increases the state liquid fuel tax; state vehicle registration fee; state vehicle weight fee. Establishes the land transportation modernization special fund. Provides funding for a six-year comprehensive modernization program. Establishes the vehicle miles traveled pilot program and other pilot programs to test alternatives to the state and county system of motor vehicle fuel taxes.

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

