
A BILL FOR AN ACT

RELATING TO FUEL TAXES.

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

1 SECTION 1. Section 243-6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§243-6 Fuel taxes, dispositions.** The "city and county of
4 Honolulu fuel tax" shall be paid by the department of taxation
5 into the state treasury, and shall, by the state director of
6 finance, be paid over to the director of finance of the city and
7 county of Honolulu for deposit into the fund known as the
8 "highway fund" created by section 249-18.

9 The "county of Kauai fuel tax" shall be paid by the
10 department into the state treasury, and shall, by the state
11 director of finance, be paid over to the director of finance of
12 the county of Kauai for deposit into the fund known as the
13 "highway fund" created by section 249-18.

14 The "county of Hawaii fuel tax" shall be paid by the
15 department into the state treasury, and shall, by the state
16 director of finance, be paid over to the director of finance of
17 the county of Hawaii for deposit into the fund known as the
18 "highway fund" created by section 249-18.



1 The "county of Maui fuel tax" collected on account of
2 liquid fuel sold or used on the island of Lanai or sold
3 elsewhere for ultimate use on the island of Lanai, shall be paid
4 by the department into the state treasury, and shall, by the
5 state director of finance, be paid over to the director of
6 finance of the county of Maui for deposit into the fund known as
7 the "highway fund" created by section 249-18, for expenditure on
8 the island of Lanai. The "county of Maui fuel tax" collected on
9 account of liquid fuel sold or used on the island of Molokai or
10 sold elsewhere for ultimate use on the island of Molokai, shall
11 be paid by the department into the state treasury, and shall, by
12 the state director of finance, be paid over to the director of
13 finance of the county of Maui for deposit into the fund known as
14 the "highway fund" created by section 249-18, for expenditure on
15 the island of Molokai. The remainder of the "county of Maui
16 fuel tax" shall be paid by the department into the state
17 treasury, and shall, by the state director of finance, be paid
18 over to the director of finance of the county of Maui for
19 deposit into the fund known as the "highway fund" created by
20 section 249-18.

21 Each of the foregoing taxes shall be expended for the
22 following purposes, for the island for which the tax revenue is



1 specially indicated, or, if none, for the county for which the
2 tax revenue is indicated:

3 (1) For payment of interest on and redemption of any bonds
4 duly issued or sold on or after July 1, 1951, under
5 chapter 47 for the financing or aiding in financing
6 the construction of county highway tunnels, approach
7 roads thereto, and highways. Such payments of
8 interest and principal on the bonds when due, shall be
9 first charges on such moneys so deposited in the
10 fund[-];

11 (2) For acquisition, designing, construction,
12 reconstruction, improvement, repair, and maintenance
13 of county main and general thoroughfares, highways,
14 and other streets, street lights, storm drains, and
15 bridges, including costs of new land therefor, when
16 expenditures for the foregoing purposes cannot be
17 financed under state-federal aid projects[-];

18 (3) In the case of the city and county of Honolulu, for
19 payment of the city and county's share in an
20 improvement district initiated by the city and county
21 for an improvement listed in paragraph (2) [~~above~~]



1 which is permitted to be constructed in the city and
2 county[-];

3 (4) For the construction of county highway tunnels,
4 overpasses, underpasses, and bridges, where such
5 improvement cannot be made under state-federal aid
6 projects[-];

7 (5) For purposes and functions connected with county
8 traffic control and preservation of safety upon the
9 public highways and streets[-];

10 (6) For purposes and functions in connection with mass
11 transit[-];

12 (7) For acquisition, design, construction, improvement,
13 repair, and maintenance of bikeways[-]; and

14 (8) [~~No~~] In the case of the county of Hawaii, funds may,
15 in a manner consistent with paragraph (2), be expended
16 for the maintenance of substandard private subdivision
17 roads that are used by the public; provided that upon
18 the sale of any portion of the private subdivision to
19 an entity other than the State or the county of
20 Hawaii, neither the State nor the county shall be
21 required to install infrastructure for the roads in
22 that portion of the private subdivision;



1 provided that no expenditure shall be made, out of the revenues
2 paid into any [such] fund, which will jeopardize federal aid for
3 highway construction."

4 SECTION 2. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 3. This Act shall take effect on July 1, 2030;
7 provided that this Act shall be repealed on June 30, 2016, and
8 section 243-6, Hawaii Revised Statutes, shall be reenacted in
9 the form in which it read on the day prior to the effective date
10 of this Act.



Report Title:

County Fuel Tax

Description:

Permits the county of Hawaii to appropriate the county's share of fuel tax revenue for the maintenance of substandard private subdivision roads that are used by the public. Provides that neither the State nor the county shall be required to install infrastructure improvements if the roads are thereafter sold to a private entity. Sunsets 6/30/16. Effective 7/1/30. (SD2)

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