

JAN 18 2013

---

---

# A BILL FOR AN ACT

RELATING TO FUEL TAX REVENUES.

**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[-] i;
- 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[-] i;
- 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[-] i
- 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[-] i
- 7           (5) For purposes and functions connected with county  
8           traffic control and preservation of safety upon the  
9           public highways and streets[-] i
- 10          (6) For purposes and functions in connection with mass  
11          transit[-] i
- 12          (7) For acquisition, design, construction, improvement,  
13          repair, and maintenance of bikeways[-] i
- 14          (8) In the case of the county of Hawaii fuel tax, funds  
15          may be expended in a manner consistent with paragraph  
16          (2) for the maintenance of substandard private  
17          subdivision roads that are used by the public;  
18          provided that upon the sale of any portion of the  
19          private subdivision to an entity other than the State  
20          or the county of Hawaii, neither the State nor the  
21          county shall be required to install infrastructure for



1           the roads in that portion of the private subdivision;  
 2           and  
 3       [+8+] (9) No expenditure shall be made[-7] out of the  
 4           revenues paid into any [~~such~~] fund[,-which] that will  
 5           jeopardize federal aid for highway construction."

6           SECTION 2. Statutory material to be repealed is bracketed  
 7           and stricken. New statutory material is underscored.

8           SECTION 3. This Act shall take effect on July 1, 2013;  
 9           provided that this Act shall be repealed on June 30, 2018, and  
 10          section 243-6, Hawaii Revised Statutes, shall be reenacted in  
 11          the form in which it read on the day prior to the effective date  
 12          of this Act.

13

INTRODUCED BY:

*[Handwritten signatures]*  
 \_\_\_\_\_  
 [Signature]  
 [Signature]  
 [Signature]  
 [Signature]  
 [Signature]  
 [Signature]



# S.B. NO. 382

**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 6/30/18.

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

