

# TAXBILLSERVICE

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SUBJECT: FUEL, Disposition of Hawaii county fuel tax revenue

BILL NUMBER: HB 101, HD-1

INTRODUCED BY: House Committee on Transportation

BRIEF SUMMARY: Amends HRS section 243-6 to allow that Hawaii county fuel taxes may be used for the maintenance of substandard private subdivision roads that are used by the public. If the sale of any portion of the private subdivision is to an entity other than the state or the county of Hawaii, then neither the state nor the county shall be required to install infrastructure for the roads in that portion of the private subdivision.

This section shall be repealed on June 30, 2018 and HRS section 243-6 shall be reenacted in the form in which it read prior to the effective date of this act.

EFFECTIVE DATE: July 1, 2050

STAFF COMMENTS: This measure would allow county fuel tax revenue to be used for the maintenance of private roads that are used by the public. It appears that there are many roads on the island of Hawaii that were in place before statehood and are not under the jurisdiction of the county. In other cases, house lots were sold in the wild volcanic flats of Puna and Ka'u where there was no county infrastructure and what roads were placed there were part of the subdivision of the house lots by the land owners. Those roads were never dedicated to the county and are considered private roads.

While some may argue that as highway users, owners of these house lots and private roads, the highway taxes they pay should be allocated to the repair and maintenance of these private roads. The problem with that notion is that if county highway funds are used to repair and maintain these roads, the county, to some degree, takes on liability for the safety of these roadways. Thus, should an incident occur on these private roads that are subsequently maintained with highway user taxes, the county may carry some liability exposure as county funds were used to maintain those roads even if the county does not own them.

While they do not meet the county specifications, they are heavily used by residents, visitors and emergency vehicles. Inasmuch as these roads are used like other county highways, this measure would allow fuel tax revenues to maintain these "public" roads. However, county officials must recognize that the county will assume liability for the safety of these roads. To that extent, this measure creates more problems than it solves.

Digested 2/25/13

**HB101**

Submitted on: 2/26/2013

Testimony for FIN on Feb 27, 2013 11:30AM in Conference Room 308

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Yen Chin	Individual	Comments Only	No

Comments: I support the idea of making Fuel Tax Revenues available to maintain publicly accessed private roads on Hawai'i Island. I'm sure that you have already heard and considered the arguments on both sides of this issue, so I'll spare you a recounting of those on my side. I write to protest the outrageous amendment that has been added to this bill. Specifically, I refer to the effective date being changed to July 1, 2050. That's 37 years in the future. If you want to kill this initiative, the least you can do is simply vote against it rather than rendering it essentially null and void through calendar trickery.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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