
A BILL FOR AN ACT

RELATING TO UTILITY FRANCHISES.

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

1 SECTION 1. Section 240-1, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "**§240-1 Electric light and power companies, tax on.** Every
4 person operating in the State an electric light or power
5 business as a public utility, whose franchise [~~does not provide~~]
6 provides for the payment to the county in which the public
7 utility operates of a tax [~~, or a tax of less than~~] of two and
8 one-half per cent [~~7~~] or less, based upon the gross receipts of
9 such person from all electric light or power furnished to
10 consumers during each calendar year, shall file with the
11 director of finance of the county in which the public utility
12 operates, within one month after the expiration of each calendar
13 year, a detailed statement showing all gross receipts from all
14 electric light or power furnished to consumers during the
15 preceding calendar year. Such person shall, at the same time
16 pay one-half of the tax collected to the director of finance,
17 for and on behalf of such county, in addition to any and all
18 other payments required to be made by law, [~~two and one-half per~~]



1 ~~cent of the gross receipts; or, if such person's franchise~~
2 ~~provides for a tax of less than two and one half per cent of the~~
3 ~~gross proceeds, the difference between the tax required under~~
4 ~~such franchise and two and one half per cent of the gross~~
5 ~~receipts, of such person from all electric light or power~~
6 ~~furnished to consumers during the preceding calendar year.] and~~
7 one-half of the tax collected to the department of
8 transportation highways division. Payments of the franchise tax
9 made to the department of transportation highways division shall
10 be deposited into the state highway fund and shall be used for
11 operation and maintenance of the department's highway
12 facilities."

13 SECTION 2. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 3. This Act shall take effect upon its approval.

16



Report Title:

Department of Transportation; Franchise Utility

Description:

Allows the State Department of Transportation Highways Division to collect an equitable compensation from franchise utility companies for the use of the state right of way. (SD1)

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