

JAN 19 2024

A BILL FOR AN ACT

RELATING TO THE COUNTIES.

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

1 SECTION 1. The purpose of this Act is to allow certain
2 counties to utilize tax revenues collected on behalf of the
3 counties for the repair and maintenance of private roads that
4 are open to and used by the public.

5 SECTION 2. Section 46-16.8, Hawaii Revised Statutes, is
6 amended by amending subsection (g) to read as follows:

7 "(g) Each county having a population equal to or less than
8 five hundred thousand that adopts a county surcharge on state
9 tax ordinance pursuant to this section shall use the surcharges
10 received from the State for:

11 (1) Operating or capital costs of public transportation
12 within each county for public transportation systems,
13 including:

14 (A) Public roadways or highways~~[+]~~, including private
15 roadways that are open to and used by the public;

16 (B) Public buses;

17 (C) Trains;



1 (D) Ferries;

2 (E) Pedestrian paths or sidewalks; or

3 (F) Bicycle paths;

4 (2) Expenses in complying with the Americans with

5 Disabilities Act of 1990 with respect to paragraph

6 (1); and

7 (3) Housing infrastructure; provided that a county that

8 uses surcharge revenues for housing infrastructure

9 shall not pass on those housing infrastructure costs

10 to the developer of a housing project; provided

11 further that this paragraph shall apply only if a

12 county amended its surcharge ordinance pursuant to

13 subsection (d) or adopts a county surcharge on state

14 tax ordinance after December 31, 2022;

15 provided that each county having a population equal to or less

16 than five hundred thousand that adopts a county surcharge on

17 state tax ordinance pursuant to this section after December 31,

18 2022, shall use the surcharge revenues received from the State

19 only for the purposes described in paragraph (3)."

20 SECTION 3. Section 243-6, Hawaii Revised Statutes, is

21 amended to read as follows:



1 "**§243-6 Fuel taxes, dispositions.** (a) The ["]city and
2 county of Honolulu fuel tax["] shall be paid by the department
3 of taxation into the state treasury, and shall, by the state
4 director of finance, be paid over to the director of finance of
5 the city and county of Honolulu for deposit into the [~~fund known~~
6 ~~as the~~]highway fund["] created by section 249-18.

7 (b) The ["]county of Kauai fuel tax["] shall be paid by
8 the department into the state treasury, and shall, by the state
9 director of finance, be paid over to the director of finance of
10 the county of Kauai for deposit into the [~~fund known as the~~
11 "]highway fund["] created by section 249-18.

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

17 (d) The ["]county of Maui fuel tax["] collected on account
18 of liquid fuel sold or used on the island of Lanai or sold
19 elsewhere for ultimate use on the island of Lanai, shall be paid
20 by the department into the state treasury, and shall, by the
21 state director of finance, be paid over to the director of



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

16 (e) Each of the [~~foregoing~~] taxes under subsections (a)
17 through (d) shall be expended for the following purposes, for
18 the island for which the tax revenue is specially indicated, or,
19 if none, for the county for which the tax revenue is indicated:

20 (1) For payment of interest on and redemption of any bonds
21 duly issued or sold on or after July 1, 1951, under



1 chapter 47 for the financing or aiding in financing
2 the construction of county highway tunnels, approach
3 roads thereto, and highways. [~~Such payments~~] Payments
4 of interest and principal on the bonds when due, shall
5 be first charges on such moneys so deposited in the
6 fund[-];

7 (2) For acquisition, designing, construction,
8 reconstruction, improvement, repair, and maintenance
9 of county main and general thoroughfares, highways,
10 and other streets, including private roadways that are
11 open to and used by the public, street lights, storm
12 drains, and bridges, including costs of new land
13 therefor, when expenditures for [~~the foregoing~~] these
14 purposes cannot be financed under state-federal aid
15 projects[-];

16 (3) In the case of the city and county of Honolulu, for
17 payment of the city and county's share in an
18 improvement district initiated by the city and county
19 for an improvement listed in [+]paragraph[+] (2)
20 [~~above which~~] that is permitted to be constructed in
21 the city and county[-];



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

5 (5) For purposes and functions connected with county
6 traffic control and preservation of safety upon the
7 public highways and streets~~[-]~~ including private
8 roadways that are open to and used by the public;

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

11 (7) For acquisition, design, construction, improvement,
12 repair, and maintenance of bikeways.

13 ~~[(8)]~~ (f) No expenditure under subsection (e) shall be
14 made~~[-]~~ out of the revenues paid into any ~~such~~
15 fund~~[-which]~~ that will jeopardize federal aid for
16 highway construction."

17 SECTION 4. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act shall take effect upon its approval.

20

INTRODUCED BY:



S.B. NO. 2743

Report Title:

County Surcharge on State Tax; Fuel Tax; Counties; Repair and Maintenance; Private Roadways

Description:

Authorizes certain counties to use county surcharge on state tax revenues and fuel tax revenues for the repair and maintenance of private roadways that are open to and used by the public.

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