

ACT 114

S.B. NO. 1227

A Bill for an Act Relating to the Distribution of State Tax Funds.

ACT 114

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 248-6, Hawaii Revised Statutes, is amended to read:

“Sec. 248-6 Distribution of grants-in-aid of state general fund to the several counties. For the fiscal year beginning July 1, 1973, and for each fiscal year thereafter, each county shall receive from the State grants-in-aid at least equal to the cash amount distributed to the county pursuant to this section in the fiscal year which began on July 1, 1971.

The grants-in-aid for each county may consist of the following:

- (1) Grants-in-aid from the general fund collections of the general excise tax, use tax, and public service company tax, excepting only taxes collected from public utilities as defined in section 269-1.
- (2) Grants-in-aid made by the State to the county pursuant to incorporation of county functions as state functions, such grants-in-aid to be limited each year to the appropriations actually disbursed in the entire fiscal year preceding the incorporation.

The governor shall determine the source of a county's grants-in-aid based on each county's relative fiscal capacity and each county's relative fiscal need.

The state director of finance, on or before the 15th day of each month, shall compute and pay to the director of finance of each county the grants-in-aid provided by this section, to become a general realization of the county expendable as such, except as otherwise provided by law; provided that the state director of finance may make payments to the counties other than on a monthly basis.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect on July 1, 1973.

(Approved May 17, 1973.)

*Edited accordingly.