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## HOUSE CONCURRENT RESOLUTION

REQUESTING A STUDY TO FORMULATE AN EQUITABLE AND OBJECTIVE MEASURE FOR DISTRIBUTING TRANSPORTATION TAX REVENUE AND FEDERAL FUNDING FOR AIRPORT, HARBOR, AND HIGHWAY PROJECTS TO THE COUNTIES.

WHEREAS, House Concurrent Resolution No. 76, S.D. 1, 2009, established a Task Force on Reinventing Government to examine the current operations and organization of state government and make recommendations on making state government more efficient; and

WHEREAS, the Task Force on Reinventing Government organized a Department of Transportation/Transportation Subcommittee (Subcommittee) to examine issues germane to transportation in the State; and

WHEREAS, among the recommendations of the Subcommittee was for the Department of Transportation (DOT) to ensure that transportation tax revenues and federal funding are distributed to the neighbor islands based on an objective formula; and

WHEREAS, the finding of the Subcommittee, as included in the Report of the Task Force on Reinventing Government, stated:

"The Subcommittee finds that, as would be expected, Oahu generates a substantial amount of transportation tax revenues and federal funding due to its concentration of population. At the same time, Kauai, Maui, Molokai, Lanai, and the Big Island all have significant and disproportionately greater transportation needs because of their lower population density and separate geography. The result is that Oahu, quite properly, provides subsidies to the Neighbor Islands with respect to the funding of airport, harbor, and highway projects. The

issue, rather, is whether the degree of subsidization is derived through a thoughtful and objective process or is the outcome of political negotiation. To encourage the former, the Subcommittee suggests that key metrics be adopted to provide more clarity on the issue, for example, measuring expenditures by units such as vehicle miles, tonnage, etc. These metrics could then be compared to those of other locales. While unit expenditures on Neighbor Islands would be expected to be higher than on Oahu, given the above reasons, those metrics would provide a rough sense of whether or not the differential was appropriate."; and

WHEREAS, the Legislature believes that the DOT should be distributing projects to the neighbor islands in a fair and equitable manner, notwithstanding the population disparities between Oahu and the neighbor islands; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, the Senate concurring, that the Legislative Reference Bureau is requested to conduct a study, with the assistance of the Department of Transportation, to develop key metrics, for example vehicle miles, tonnage, and the like, that could be used to measure expenditures by units, and which also could be used to determine if the degree of subsidization by Oahu to the counties of Hawaii, Maui, and Kauai of transportation tax revenues and federal funding for airport, harbor, and highway projects is derived through a thoughtful and objective process or is the outcome of other factors such as political negotiation; and

BE IT FURTHER RESOLVED that the Legislative Reference Bureau report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2011; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Director of the Legislative Reference Bureau, the Director of Transportation, and the Chair of the Task Force on Reinventing Government.

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