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# A BILL FOR AN ACT

RELATING TO FUEL TAXES.

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

1           SECTION 1. Section 243-6, Hawaii Revised Statutes, is  
2 amended to read as follows:

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

9           The "county of Kauai fuel tax" shall be paid by the  
10 department into the state treasury, and shall, by the state  
11 director of finance, be paid over to the director of finance of  
12 the county of Kauai for deposit into the fund known as the  
13 "highway fund" created by section 249-18.

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



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

21           Each of the foregoing taxes shall be expended for the  
22 following purposes, for the island for which the tax revenue is



1 specially indicated, or, if none, for the county for which the  
2 tax revenue is indicated:

3 (1) For payment of interest on and redemption of any bonds  
4 duly issued or sold on or after July 1, 1951, under  
5 chapter 47 for the financing or aiding in financing  
6 the construction of county highway tunnels, approach  
7 roads thereto, and highways. Such payments of  
8 interest and principal on the bonds when due, shall be  
9 first charges on such moneys so deposited in the fund.

10 (2) For acquisition, designing, construction,  
11 reconstruction, improvement, repair, and maintenance  
12 of county main and general thoroughfares, highways,  
13 and other streets, street lights, storm drains, and  
14 bridges, including costs of new land therefor, when  
15 expenditures for the foregoing purposes cannot be  
16 financed under state-federal aid projects.

17 (3) In the case of the city and county of Honolulu, for  
18 payment of the city and county's share in an  
19 improvement district initiated by the city and county  
20 for an improvement listed in (2) above which is  
21 permitted to be constructed in the city and county.



- 1           (4) For the construction of county highway tunnels,  
2                   overpasses, underpasses, and bridges, where such  
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.
- 8           (6) For purposes and functions in connection with mass  
9                   transit.
- 10          (7) For acquisition, design, construction, improvement,  
11             repair, and maintenance of bikeways.
- 12          (8) In the case of the county of Hawaii, funds may be  
13             appropriated for a grant-in-aid program as established  
14             by the council of the county of Hawaii, for use by  
15             private nonprofit maintenance corporations for the  
16             maintenance of private roads maintained by such  
17             corporations in a manner consistent with paragraph  
18             (2).
- 19          [+8+] (9) No expenditure shall be made, out of the revenues  
20             paid into any such fund, which will jeopardize federal  
21             aid for highway construction."



# H.B. NO. 1626

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

3 SECTION 3. This Act shall take effect on July 1, 2011.

4

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Rep. Kennoham", is written over a horizontal line.

JAN 26 2011



**Report Title:**

County Fuel Tax

**Description:**

Permits the County of Hawaii to appropriate the County's share of fuel tax revenue for a grant-in-aid program for the maintenance of private roads maintained by nonprofit maintenance corporations.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

