STAND. COM. REP. NO. 836

Honolulu, Hawaii MAR 2 2 2011

H.B. No. 1626 RE: H.D. 1 S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Public Safety, Government Operations, and Military Affairs, to which was referred H.B. No. 1626, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FUEL TAXES,"

begs leave to report as follows:

The purpose and intent of this measure is to allow the County of Hawaii to expend County of Hawaii fuel tax revenues on the maintenance of substandard private subdivision roads that are used by the public.

Your Committee received testimony in support of this measure from the Mayor of Hawai'i County, Friends of Puna's Future, and nine individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

In the 1960's, Hawaii County approved large substandard private subdivisions on the Big island, mostly concentrated in the Puna district and in Ka'u near the community of Ocean View. These areas represent the fastest growing districts in the State of Hawaii. This measure would provide the County of Hawaii with the discretion to allocate a portion of the district fuel tax allocation for purposes of maintaining substandard private subdivision roads that are used by the public in order to alleviate the significant health and safety issues that the substandard condition of the roads poses to the public.



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The island of Hawaii is bigger in size than all of the other islands combined, making the issues related to road maintenance on the island unique comparison to road maintenance issues on the other islands of the State. Your Committee finds that police and ambulances in the County of Hawaii are not able to respond in a timely fashion because of the horrible condition of many of these roadways. Residents in those areas deserve to receive common use benefits from the fuel taxes that they pay. This measure helps to resolve road maintenance problems for approximately 750 miles of roads and 105 miles of roads-in-limbo, which are often overlooked when allocating fuel tax monies.

The intent of your Committee is to ensure that Hawaii County does not deflect funding from other Big Island road repair projects on public roads. Your Committee further intends that Hawaii County enter into public-private partnerships to use the County of Hawaii fuel tax as provided under this measure. Testimony indicated that Hawaii County would purchase road paving materials which would be applied by private contractors who could be hired by the private subdivision.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Government Operations, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1626, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1626, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Public Safety, Government Operations, and Military Affairs,

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WILL ESPERO, Chai



The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Public Safety, Government Operations, and Military Affairs PGM

Bill / Resolution No.:*Committee Referral:Date:HB 1626, HD 1PGM, WHM \mathcal{D} -17-11				
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Ауе	Aye (WR)	Nay	Excused
ESPERO, Will (C)				
KIDANI, Michelle N. (VC)				
BAKER, Rosalyn H.				
RYAN, Pohai		\checkmark		
SLOM, Sam	eratebate de la Mellowia en en en en		an a secondar a de la Maria Maria a coma	/
TOTAL	3	1	0	
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only <u>one</u> measure per Record of Votes