### A BILL FOR AN ACT

RELATING TO TRANSIT ENHANCEMENTS.

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

- 1 SECTION 1. The legislature finds that transit enhancement 2 projects are designed to foster more livable communities, 3 preserve and protect environmental and cultural resources, and promote alternative modes of transportation. 4 5 The purpose of this Act is to authorize counties to use a 6 county surcharge adopted by ordinance and levied on state tax to fund transit enhancements. 7 SECTION 2. Section 46-16.8, Hawaii Revised Statutes, is 8 9 amended to read as follows: 10 "[+]\$46-16.8[+] County surcharge on state tax. (a) Each county may establish a surcharge on state tax at the rates 11 enumerated in sections 237-8.6 and 238-2.6. A county electing 12 to establish this surcharge shall do so by ordinance; provided 13 14 that: 15 (1) No ordinance shall be adopted until the county has 16 conducted a public hearing on the proposed ordinance;
  - HB LRB 12-0897.doc

and

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1	[ <del>(2)</del>	The ordinance shall be adopted prior to December 31,
2		<del>2005; and</del>
3	<del>(3)</del> ]	(2) No county surcharge on state tax that may be
4		authorized under this section shall be levied prior to
5		January 1, 2007.
6	Notice of	the public hearing required under paragraph (1) shall

- 7 be published in a newspaper of general circulation within the
- county at least twice within a period of thirty days immediately 8
- 9 preceding the date of the hearing.
- 10 A county electing to exercise the authority granted
- 11 under this section shall notify the director of taxation within
- 12 ten days after the county has adopted a surcharge on state tax
- 13 ordinance and, beginning no earlier than January 1, 2007, the
- 14 director of taxation shall levy, assess, collect, and otherwise
- 15 administer the county surcharge on state tax.
- 16 Each county with a population greater than five
- hundred thousand that adopts a county surcharge on state tax **17**
- 18 ordinance pursuant to subsection (a) shall use the surcharges
- 19 received from the State for:
- 20 (1)Operating or capital costs of a locally preferred
- 21 alternative for a mass transit project; [and]

1	(2)	Expenses in complying with the Americans with
2		Disabilities Act of 1990 with respect to paragraph
3		(1) [-]; and
4	<u>(3)</u>	Transit enhancements; provided that not less than one
5		per cent of the surcharges received from the State
6		shall be expended for transit enhancement projects
7		that are designed to enhance public transportation
8		service or use that or are physically or functionally
9		related to transit facilities and other public
10		amenities. Eligible projects shall include:
11		(A) Historic preservation, rehabilitation, and
12		operation of historic public transportation
13		buildings, structures, and facilities, including
14		historic bus and railroad facilities;
15		(B) Bus shelters;
16		(C) Landscaping and other scenic beautification,
17		including tables, benches, trash receptacles, and
18		street lights;
19		(D) Public art, music, culture, and crafts;
20		(E) Transit connections to parks within the county's
21		transit service area;
22		(F) Signage; and

1	(G) Enhanced access to public transportation for
2	persons with disabilities.
3	The county surcharge on state tax shall not be used to build or
4	repair public roads or highways, bicycle paths, or support
5	public transportation systems already in existence prior to July
6	12, 2005.
7	(d) Each county with a population equal to or less than
8	five hundred thousand that adopts a county surcharge on state
9	tax ordinance pursuant to subsection (a) shall use the
10	surcharges received from the State for:
11	(1) Operating or capital costs of public transportation
12	within each county for public transportation systems,
13	including public roadways or highways, public buses,
14	trains, ferries, pedestrian paths or sidewalks, or
15	bicycle paths; and
16	(2) Expenses in complying with the Americans with
<b>17</b>	Disabilities Act of 1990 with respect to paragraph
18	(1).
19	(e) As used in this section, "capital costs" means
20	nonrecurring costs required to construct a transit facility or
21	system, including debt service, costs of land acquisition and
22	development, acquiring of rights-of-way, planning, design, and

- 1 construction, and including equipping and furnishing the
- 2 facility or system."
- 3 SECTION 3. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

By Request

JAN 2 4 2012

# H.B. NO. 2660

#### Report Title:

County Surcharge on State Tax; Transit Enhancements

### Description:

Provides that a county surcharge adopted by ordinance and levied on state general excise or use tax may be used to fund transit enhancements.

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