
A BILL FOR AN ACT

RELATING TO THE BOATING SPECIAL FUND.

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

1 SECTION 1. The purpose of this Act is to repeal the
2 boating special fund.

3 SECTION 2. Section 200-2.5, Hawaii Revised Statutes, is
4 amended by amending subsection (d) to read as follows:

5 "(d) All revenues due to the State derived from leases of
6 state boating facilities shall be deposited in the [~~boating~~
7 ~~special~~] general fund."

8 SECTION 3. Section 200-3, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§200-3 Ocean recreation and coastal areas programs. The
11 board shall assume the following functions of the department of
12 transportation:

13 (1) Managing and administering the ocean-based recreation
14 and coastal areas programs of the State;

15 (2) Planning, developing, operating, administering, and
16 maintaining small boat harbors, launching ramps, and



- 1 other boating facilities and associated aids to
2 navigation throughout the State;
- 3 (3) Developing and administering an ocean recreation
4 management plan;
- 5 (4) Administering and operating a vessel registration
6 system for the State;
- 7 (5) Regulating the commercial use of state waters and
8 marine resources, including operations originating
9 from private marinas;
- 10 (6) Regulating boat regattas and other ocean water events;
- 11 (7) Administering a marine casualty and investigation
12 program;
- 13 (8) Assisting in abating air, water, and noise pollution;
- 14 (9) Conducting public education in boating safety;
- 15 [~~(10)~~ Administering the boating special fund;
- 16 ~~(11)~~] (10) Assisting in controlling shoreline erosion;
- 17 [~~(12)~~] (11) Repairing seawalls and other existing coastal
18 protective structures under the jurisdiction of the
19 State; and



1 [~~(13)~~] (12) Removing nonnatural obstructions and public
2 safety hazards from the shoreline, navigable streams,
3 harbors, channels, and coastal areas of the State."

4 SECTION 4. Section 200-6, Hawaii Revised Statutes, is
5 amended by amending subsection (c) to read as follows:

6 "(c) The permittee shall pay fees to the department for
7 the offshore mooring permit issued by the department. The fees
8 shall be based on, but not limited to, the use of the vessel,
9 its effect on the waters and aquatic resources of the State, and
10 the administrative expenses incurred by the department and other
11 state agencies in administering offshore mooring. All revenues
12 collected under this section shall be deposited in the [~~boating~~
13 ~~special~~] general fund."

14 SECTION 5. Section 200-8, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§200-8 Boating program; payment of costs.** The cost of
17 administering a comprehensive statewide boating program,
18 including [~~but not limited to~~] the cost of:

19 (1) Operating, maintaining, and managing all boating
20 facilities under the control of the department;

21 (2) Improving boating safety;



1 (3) Operating a vessel registration and boating casualty
2 investigation and reporting system;

3 (4) Other boating program activities; and

4 (5) Planning, developing, managing, operating, or
5 maintaining of all lands and improvements under the
6 control and management of the board, including but not
7 limited to permanent or temporary staff positions who
8 may be appointed without regard to chapter 76,
9 shall be paid from ~~[the boating special fund; provided that any~~
10 ~~fees collected within small boat harbors shall be expended only~~
11 ~~for costs related to the operation, upkeep, maintenance, and~~
12 ~~improvement of the small boat harbors.] general revenues as the~~
13 legislature may authorize. The amortization (principal and
14 interest) of the costs of capital improvements for boating
15 facilities appropriated after July 1, 1975, including ~~[but not~~
16 ~~limited to]~~ berths, slips, ramps, related accommodations,
17 general navigation channels, breakwaters, aids to navigation,
18 and other harbor structures, ~~[may]~~ shall be paid from ~~[the~~
19 ~~boating special fund or from]~~ general revenues as the
20 legislature may authorize in each situation. ~~[Revenues provided~~
21 ~~in this chapter for the boating special fund shall be at least~~



1 ~~sufficient to pay the special fund costs established in this~~
2 ~~section.] "~~

3 SECTION 6. Section 200-10, Hawaii Revised Statutes, is
4 amended by amending subsection (h) to read as follows:

5 "(h) All revenues from the foregoing operations shall be
6 deposited in the [~~boating special~~] general fund."

7 SECTION 7. Section 200-14.5, Hawaii Revised Statutes, is
8 amended by amending subsection (d) to read as follows:

9 "(d) Any criminal action against a person for any
10 violation of subtitle 8 of title 12 or any rule adopted
11 thereunder shall not preclude the State from pursuing civil
12 legal action to recover administrative fines, fees and costs, or
13 damages against that person. Any civil legal action to recover
14 administrative fines, fees and costs, or damages for any
15 violation of subtitle 8 of title 12 or any rule adopted
16 thereunder shall not preclude the State from pursuing any
17 appropriate criminal action against that person. All fines,
18 fees and costs, or damages recovered by the department under
19 this section shall be deposited in the [~~boating special~~] general
20 fund."



1 SECTION 8. Section 200-34, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§200-34 Disposition of revenues. All fees and penalties
4 collected pursuant to sections 200-10, 200-14, 200-14.5, 200-25,
5 and 200-32, and all fees and penalties established by rules
6 adopted pursuant to sections 200-4 and 200-24, shall be
7 deposited in the [~~boating special~~] general fund."

8 SECTION 9. Section 200-47, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§200-47 Disposition of proceeds. A state or county
11 agency that sells a vessel pursuant to this part shall deposit
12 that portion of the proceeds of the sale of the vessel that
13 represents the mooring or other fees and charges due the agency,
14 the expenses of the auction, and any other expense incurred by
15 the agency in taking into custody and disposing of an abandoned
16 vessel, derelict vessel, or vessel impounded under section 200-
17 16, into the [~~boating special fund or other~~] state or county
18 fund, as appropriate, from which the expenses incurred in
19 connection with the vessel were paid. The balance, if any,
20 shall be deposited into the general fund [~~of the State~~]. The
21 owner may recover any balance of the proceeds from the State



1 only if the owner files a claim therefor with the department of
2 budget and finance within one year after the execution of the
3 bill of sale. If no claim is made within the year allowed, the
4 money shall become a state realization. A lien holder shall
5 receive priority in payment from the balance of the proceeds to
6 the extent of the lien holder's lien on the vessel. If the
7 proceeds of the sale are insufficient to cover the mooring and
8 other fees and charges, the expenses of the auction, and the
9 other expenses incurred by the agency in taking into custody and
10 disposing of the vessel, the agency may bring an action for the
11 deficiency in [an] environmental court of appropriate
12 jurisdiction against the registered or documented owner or any
13 person who had an interest in the vessel when custody was taken
14 by the agency."

15 SECTION 10. Section 200-47.5, Hawaii Revised Statutes, is
16 amended by amending subsection (c) to read as follows:

17 "(c) The department may take legal action to collect any
18 costs or expenses incurred by the department for any removal
19 under this section. All moneys collected shall be deposited in
20 the ~~[boating special]~~ general fund."



1 SECTION 11. Section 248-8, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§248-8 Special funds in treasury of State. There are
4 created in the treasury of the State [~~three~~] two special funds
5 to be known, respectively, as the state highway fund[~~7~~] and the
6 airport revenue fund[~~7, and the boating special fund~~]. All taxes
7 collected under chapter 243 in each calendar year, except the
8 "county of Hawaii fuel tax", "city and county of Honolulu fuel
9 tax", "county of Maui fuel tax", and "county of Kauai fuel tax",
10 shall be deposited in the state highway fund; provided that:

11 (1) All taxes collected under chapter 243 with respect to
12 gasoline or other aviation fuel sold for use in or
13 used for airplanes shall be set aside in the airport
14 revenue fund; and

15 (2) All taxes collected under chapter 243 with respect to
16 liquid fuel sold for use in or used for small boats
17 shall be deposited in the [~~boating special~~] general
18 fund.

19 As used in this section, "small boats" means all vessels
20 and other watercraft except those operated in overseas
21 transportation beyond the State, and ocean-going tugs and



1 dredges. The chairperson of the board of land and natural
2 resources, from July 1, 1992, and every three years thereafter,
3 shall establish standards or formulas that will as equitably as
4 possible establish the total taxes collected under chapter 243
5 in each fiscal year that are derived from the sale of liquid
6 fuel for use in or used for small boats. The amount so
7 determined shall be deposited in the [~~boating special~~] general
8 fund.

9 An amount equal to 0.3 per cent of the highway fuel tax but
10 not more than \$250,000 collected under chapter 243 shall be
11 allocated each fiscal year to the special land and development
12 fund for purposes of the management, maintenance, and
13 development of trails and trail accesses under the jurisdiction
14 of the department of land and natural resources established
15 under section 198D-2."

16 SECTION 12. Section 36-29.5, Hawaii Revised Statutes, is
17 repealed.

18 [~~§36-29.5~~] ~~Transfer from boating special fund.~~

19 ~~Notwithstanding any law to the contrary, including section 36-~~
20 ~~27, there shall be deducted from time to time by the director of~~
21 ~~finance for the purpose of defraying the prorated estimate of~~



1 ~~central service expenses of government in relation to the~~
2 ~~boating special fund, five per cent of all receipts and deposits~~
3 ~~in the boating special fund after subtracting therefrom any~~
4 ~~amounts pledged, charged, or encumbered for the payment of bonds~~
5 ~~or interest thereon during the time period for which the~~
6 ~~deduction is to be made. The deductions shall be transferred to~~
7 ~~the general fund of the State and shall become general~~
8 ~~realizations of the State.~~

9 ~~For the purpose of this section, the term "any amounts~~
10 ~~pledged, charged, or encumbered for the payment of bonds or~~
11 ~~interest thereon" shall include:~~

12 ~~(1) Amounts that are so pledged, charged, or encumbered,~~
13 ~~and~~

14 ~~(2) Amounts required by law to be paid from the boating~~
15 ~~special fund into the general fund of the State to~~
16 ~~reimburse the general fund for bond requirements for~~
17 ~~general obligation bonds issued for boating facility~~
18 ~~purposes.~~

19 ~~The chairperson of the board of land and natural resources~~
20 ~~shall cooperate with the director of finance in effecting the~~
21 ~~transfer."]~~



1 SECTION 13. On July 1, 2018, all unencumbered balances
2 remaining in the boating special fund repealed by this Act shall
3 lapse to the credit of the general fund.

4 SECTION 14. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 15. This Act shall take effect on July 1, 2018.

7

INTRODUCED BY: _____

A handwritten signature in black ink, appearing to read "Nicole E. Loren", is written over a horizontal line. Above the signature, there are several large, overlapping scribbles in black ink.

JAN 20 2017



H.B. NO. 465

Report Title:

Boating Special Fund; Repeal

Description:

Repeals the boating special fund. Transfers unencumbered boating special fund moneys and future revenues to the general fund.

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

