
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. The legislature finds that traffic congestion
2 is a serious problem that negatively affects the quality of life
3 for residents and visitors in Hawaii. Congestion on the State's
4 roadways continues to increase, forcing people to spend more
5 time sitting in vehicles and less time being productive at work
6 or with families and friends.

7 The legislature also finds that visitors make up a large
8 proportion of public highway users. For example, visitors make
9 up about twenty-five per cent of Maui's population on any given
10 day. These visitors make up a sizeable proportion of those
11 using the island's public highways, and contribute to the
12 congestion that strains Maui's transportation infrastructure.

13 The legislature believes that it is prudent to target this
14 group of highway users to raise revenue for capital improvements
15 to Hawaii's highways, which will relieve congestion and improve
16 the quality of life for both residents and visitors.



1 The purpose of this Act is to create a pilot project to use
2 fees from the rental of motor vehicles leased at certain state
3 airports to fund projects to increase highway capacity and
4 relieve traffic congestion.

5 Specifically, this Act:

6 (1) Creates a user fee of \$4.50 for each day, or portion
7 of a day, that a rental motor vehicle is rented from a
8 rental motor vehicle concession located in a medium-
9 hub airport that serves a county with a resident
10 population of more than 125,000 but less than 195,000
11 that includes at least three islands inhabited by
12 permanent residents; and

13 (2) Deposits the fee revenue into the state highway fund;
14 provided that the revenue shall be used to fund
15 certain highway capital projects.

16 SECTION 2. Chapter 261, Hawaii Revised Statutes, is
17 amended by adding a new section to be appropriately designated
18 and to read as follows:

19 "§261- Supplemental rental motor vehicle user fee. (a)
20 Subject to subsection (d), and in addition to a rental motor
21 vehicle customer facility charge authorized by section 261-7(h),



1 the department shall levy, assess, and collect a supplemental
2 rental motor vehicle user fee of \$4.50 for each day, or any
3 portion of a day, that a rental motor vehicle is rented or
4 leased from a rental motor vehicle concession; provided that the
5 rental motor vehicle concession is located in a medium-hub
6 airport that serves a county with a resident population of more
7 than 125,000 but less than 195,000 that includes at least three
8 islands inhabited by permanent residents.

9 (b) The supplemental rental motor vehicle user fee shall
10 be collected by lessors, as defined in section 437D-3, who shall
11 pay the charges collected to the department.

12 (c) The department shall deposit the revenues collected
13 pursuant to this section into the state highway fund established
14 pursuant to section 248-8.

15 (d) Upon completion of the projects listed in section 248-
16 9(c), the director shall cease levying, assessing, and
17 collecting the supplemental rental motor vehicle user fee
18 established by subsection (a).

19 (e) For the purpose of this section, "medium-hub airport"
20 means an airport that is classified as a medium-hub airport by



1 the Federal Aviation Administration's National Plan of
2 Integrated Airport Systems."

3 SECTION 3. Section 248-9, Hawaii Revised Statutes, is
4 amended to read as follows:

5 **"§248-9 State highway fund.** (a) Moneys in the state
6 highway fund may be expended for the following purposes:

7 (1) To pay the costs of operation, maintenance, and repair
8 of the state highway system, including without
9 limitation, the cost of equipment and general
10 administrative overhead;

11 (2) To pay the costs of acquisition (including real
12 property and interests therein), planning, designing,
13 construction, and reconstruction of the state highway
14 system and bikeways, including, without limitation,
15 the cost of equipment and general administrative
16 overhead;

17 (3) To reimburse the general fund for interest on and
18 principal of general obligation bonds issued to
19 finance highway projects where the bonds are
20 designated to be reimbursable out of the state highway
21 fund; and



1 (4) To pay the costs of construction, maintenance, and
2 repair of county roads; provided that none of the
3 funds expended on a county road or program shall be
4 federal funds when such expenditure would cause a
5 violation of federal law or a federal grant agreement.

6 (b) At any time, the director of transportation may
7 transfer from the state highway fund all or any portion of
8 available moneys determined by the director of transportation to
9 exceed one hundred thirty-five per cent of the requirements for
10 the ensuing twelve months for the state highway fund as
11 permitted by and in accordance with section 37-53. For purposes
12 of the determination, the director of transportation shall take
13 into consideration:

14 (1) The amount of federal funds and bond funds on deposit
15 in, and budgeted to be expended from, the state
16 highway fund during the period;

17 (2) Amounts on deposit in the state highway fund that are
18 encumbered or otherwise obligated;

19 (3) Budgeted amounts payable from the state highway fund
20 during the period;



(4) Revenues anticipated to be received by and expenditures to be made from the state highway fund during the period based on existing agreements and other information for the ensuing twelve months; and

(5) Any other factors as the director of transportation shall deem appropriate.

(c) Notwithstanding subsections (a) and (b), the department of transportation shall expend revenues generated from the supplemental rental motor vehicle user fee deposited into the state highway fund pursuant to section 261- for the following projects:

(1) The Paia bypass project; and

(2) The Lahaina bypass project;

on the island of Maui."

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

INTRODUCED BY:

Linda Chizom
Lyn Deloite
Mark Hahn

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JAN 24 2018



H.B. NO. 2601

Report Title:

Highways; Rental Motor Vehicle User Charge; Pilot Project

Description:

Creates a supplemental rental motor vehicle user fee of \$4.50 per day to be levied, assessed, and collected for rental motor vehicles rented from a rental motor vehicle concession located in any medium-hub airport serving a county that includes at least 3 islands inhabited by permanent residents. Uses revenues to pay for certain highway projects. Requires the Director of Transportation to cease collecting the supplemental rental motor vehicle fee upon completion of the specified highway projects.

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

