JAN 1 6 2020

### A BILL FOR AN ACT

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE ON REAL PROPERTY TO FUND INFRASTRUCTURE IMPROVEMENTS NEAR RAPID TRANSIT STATIONS.

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

1 SECTION 1. The purpose of this Act is to propose an 2 amendment to the Constitution of the State of Hawaii to 3 authorize the State legislature to establish a surcharge on real 4 property near rapid transit stations for the purpose of funding 5 infrastructure improvements near those rapid transit stations. 6 SECTION 2. Article VIII, section 3, of the Constitution of 7 the State of Hawaii is amended to read as follows: 8 **"TAXATION AND FINANCE** 9 **Section 3.** The taxing power shall be reserved to the 10 State, except so much thereof as may be delegated by the 11 legislature to the political subdivisions, and except that all 12 functions, powers and duties relating to the taxation of real 13 property shall be exercised exclusively by the counties, with 14 the exception of the county of Kalawao[-]; provided that the 15 legislature may establish, as provided by law, a surcharge on



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1 real property taxes for real property located near rapid transit 2 stations to fund infrastructure improvements in those areas. The legislature shall have the power to apportion state revenues 3 among the several political subdivisions." 4 5 SECTION 3. The question to be printed on the ballot shall 6 be as follows: 7 "Shall the exclusive authority of the counties to tax real property provided in the constitution be amended to also 8 9 provide authority to the state legislature to establish a surcharge on real property taxes for real property located 10 near rapid transit stations for the purpose of funding 11 12 infrastructure improvements in those areas?" SECTION 4. Constitutional material to be repealed is 13 14 bracketed and stricken. New constitutional material is 15 underscored. 16 SECTION 5. This amendment shall take effect upon 17 compliance with article XVII, section 3, of the Constitution of 18 the State of Hawaii. 19

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#### Report Title:

Transit-Oriented Development; Infrastructure Improvement; Real Property; Taxation; Surcharge; Constitutional Amendment

#### Description:

Proposes an amendment to the Constitution of the State of Hawaii to authorize the State legislature to establish a surcharge on taxation of real property near rapid transit stations for the purpose of funding infrastructure improvements in those areas.

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