

GOV. MSG. NO. 1130

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

May 28, 2024

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Second State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Scott K. Saiki Speaker, and Members of the House of Representatives Thirty-Second State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on May 28, 2024, the following bill was signed into law:

SB1099 SD1 HD2 CD1

RELATING TO TAXATION. ACT 030

Sincerely,

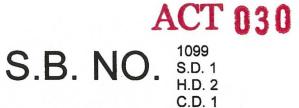
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Josh Green, M.D. Governor, State of Hawaiʻi

Approved by the Governor

on MAY 2 8 2024

THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII



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A BILL FOR AN ACT

RELATING TO TAXATION.

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

1	SECT	ION 1. Section 46-16.8, Hawaii Revised Statutes, is	
2	amended b	y amending subsections (g) and (h) to read as follows:	
3	"(g)	Each county having a population equal to or less than	
4	five hund	red thousand that adopts a county surcharge on state	
5	tax ordin	ance pursuant to this section shall use the surcharges	
6	received from the State for:		
7	(1)	Operating or capital costs of public transportation	
8		within each county for public transportation systems,	
9		including:	
10		(A) Public roadways or highways;	
11		(B) Public buses;	
12		(C) Trains;	
13		(D) Ferries;	
14		(E) Pedestrian paths or sidewalks; or	
15		(F) Bicycle paths;	
16	(2)	Expenses in complying with the Americans with	
17		Disabilities Act of 1990 with respect to paragraph	
18		(1); and	
	2024-2793 SB1099 CD1 SMA-2.docx		

Page 2

S.B. NO. ¹⁰⁹⁹ S.D. 1 H.D. 2 C.D. 1

1 (3) Housing infrastructure [+] costs; provided that a 2 county that uses surcharge revenues for housing 3 infrastructure shall not pass on those housing infrastructure costs to the developer of a housing 4 project; provided further that this paragraph shall 5 apply only if a county amended its surcharge ordinance 6 pursuant to subsection (d) or adopts a county 7 surcharge on state tax ordinance after December 31, 8 2022: 9

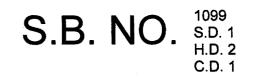
10 provided that each county having a population equal to or less 11 than five hundred thousand that adopts a county surcharge on 12 state tax ordinance pursuant to this section after December 31, 13 2022, shall use the surcharge revenues received from the State 14 only for the purposes described in paragraph (3) [-] for county-15 appropriated housing infrastructure costs.

16 (h) As used in this section:

17 "Capital costs" means nonrecurring costs required to
18 construct a transit facility or system, including debt service,
19 costs of land acquisition and development, acquiring of rights20 of-way, planning, design, and construction, and including
21 equipping and furnishing the facility or system. For a county

2024-2793 SB1099 CD1 SMA-2.docx

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with a population greater than five hundred thousand, capital 1 costs also include non-recurring personal services and other 2 overhead costs that are not intended to continue after 3 completion of construction of the minimum operable segment of 4 5 the locally preferred alternative for a mass transit project. 6 "Housing infrastructure["] costs" includes pedestrian paths 7 or sidewalks on a county road near or around a public school, 8 and water, drainage, sewer, water reuse, waste disposal, and 9 waste treatment systems that connect to the infrastructure of 10 the county[-] and shall include financing costs, including any 11 related debt service and financing agreement costs." 12 SECTION 2. Statutory material to be repealed is bracketed 13 and stricken. New statutory material is underscored. 14 SECTION 3. This Act shall take effect on July 1, 2024.

2024-2793 SB1099 CD1 SMA-2.docx

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S.B. NO. ¹⁰⁹/_{S.D}

1099 S.D. 1 H.D. 2 C.D. 1

APPROVED this 28th

day of `

May , 2024

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GOVERNOR OF THE STATE OF HAWAI'I

S.B. No. 1099, S.D. 1, H.D. 2, C.D. 1

THE SENATE OF THE STATE OF HAWAI'I

Date: May 1, 2024 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate

of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.

President of the Senate

Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2024 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.

Scott K. Saiki Speaker House of Representatives

HiL. , lla

Brian L. Takeshita Chief Clerk House of Representatives