

ACT 106

H.B. NO. 417

A Bill for an Act Relating to the Statewide Trail and Access Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 171-19, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There is created in the department a special fund to be designated as the “special land and development fund”. Subject to [the provisions contained in] the Hawaiian Homes Commission Act of 1920, as amended, and [in] section 5(f) of the Admission Act of 1959, and except as provided under section 171-138 for the industrial park special fund, all proceeds of sale of public lands, including interest on deferred payments[, and]; all rents from leases, licenses, and permits derived from public lands; a portion of the highway fuel tax collected under chapter 243; fees charged by the department for the commercial use of public trails and trail accesses under the jurisdiction of the department; and private contributions for the management, maintenance, and development of trails and accesses shall be set apart in the fund and shall be used only as authorized by the legislature[, except that, without prior legislative authority, the board may use the fund] for the following purposes:

- (1) To reimburse the general fund of the State for advances made [which] that are required to be reimbursed from the proceeds derived from sales, leases, licenses, or permits of public lands;
- (2) For the maintenance of all lands under the control and management of the board, including repairs or improvements[,] thereon; provided that the department shall not expend in excess of \$500,000 in any fiscal year without the prior approval of the governor;
- (3) To repurchase any land, including improvements, in the exercise by the board of any right of repurchase specifically reserved in any patent, deed, lease, or other documents or as provided by law;
- (4) For the payment of all appraisal fees; provided that all fees reimbursed to the board shall be deposited in the fund;
- (5) For the payment of publication notices as required under this chapter; provided that all or a portion of the expenditures may be charged to the purchaser or lessee of public lands or any interest therein under rules adopted by the board;
- (6) For the [planning and construction of roads and trails along state rights-of-way] management, maintenance, and development of trails and trail accesses under the jurisdiction of the department not to exceed [\$5,000] \$500,000 in any fiscal year; and
- (7) For the payment to private land developers who have contracted with the board for development of public lands under section 171-60.”

SECTION 2. Section 198D-2, Hawaii Revised Statutes, is amended to read as follows:

“§198D-2 Establishment of Hawaii statewide trail and access program.

(a) There is established the Hawaii statewide trail and access program, to be known

as Na Ala Hele. The department of land and natural resources shall plan, develop, acquire land or rights for public use of land, construct, restore, and engage in coordination activities to implement the program in accordance with this chapter.

(b) The trail and access program shall [prepare an annual report for the legislature concerning the amount of moneys accruing to the credit of the general fund] use funding for the management, maintenance, and development of trails and trail accesses under the jurisdiction of the department from the following sources:

- (1) [All] A portion of the highway fuel taxes collected under chapter 243 [on non-highway recreational fuel, or in the alternative, 0.3 per cent of the proceeds under chapter 243 deposited into the state highway fund established under section 248-8];
- (2) Federal government grants [for the management, maintenance, and development of trails and accesses];
- (3) Private contributions [for the management, maintenance, and development of trails and accesses]; and
- [(4) Earnings on the investment of the moneys specified in paragraphs (1) to (3), which became a part of the general fund.

The trail and access program shall submit the report to the legislature not fewer than twenty days prior to the convening of each regular session of the legislature.]

- (4) Fees, established pursuant to administrative rules and charged by the department for the commercial and other use of trails and trail accesses under the jurisdiction of the department.

(c) The moneys specified in subsection (b)(2) shall be deposited in the state treasury; provided that moneys received as deposits or contributions from the federal government [or private sources] shall be accounted for in accordance with the conditions established by the agencies [or persons] making the contribution. [Earnings on the investment of these moneys shall become a part of the general fund.]

(d) [All moneys to meet the general operating needs and expenses of the trail and access program shall be allocated by the legislature through appropriations out of the state general fund. The department shall include in its budgetary request for each upcoming fiscal period, the amounts necessary to effectuate this chapter.] The moneys specified in subsection (b)(1), (3), and (4) shall be deposited in the special land and development fund under section 171-19 for the management, maintenance, and development of trails and trail accesses under the jurisdiction of the department."

SECTION 3. Section 248-8, Hawaii Revised Statutes, is amended to read as follows:

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

- (1) All taxes collected under chapter 243 with respect to gasoline or other aviation fuel sold for use in or used for airplanes shall be set aside in the airport revenue fund; and
- (2) All taxes collected under chapter 243 with respect to liquid fuel sold for use in or used for small boats shall be deposited in the boating special fund.

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

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

An amount equal to [all moneys] 0.3 per cent of the highway fuel tax but not more than \$250,000 collected under chapter 243 [through the assessment of taxes on the sale of non-highway recreational fuel] shall be [reported] allocated each fiscal year to the [trail and access program] special land and development fund for purposes of the management, maintenance, and development of trails and trail accesses under the jurisdiction of the department of land and natural resources established under section 198D-2. [Until such time as the department of transportation develops a system to calculate the tax revenues generated from non-highway recreational fuel, or until July 1, 1997, whichever is later, 0.3 per cent of all proceeds deposited into the highway fund shall be the amount reported to the trail and access program of the department of land and natural resources.]”

SECTION 4. There is appropriated out of the special land and development fund the sum of \$200,000 or so much thereof as may be necessary for fiscal year 1997-1998 for the Na Ala Hele program. The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 1997.

(Approved June 4, 1997.)