

ACT 370

S.B. NO. 1618

A Bill for an Act Relating to the Transportation Improvement Special Fund.

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

SECTION 1. The purpose of this Act is to establish a transportation improvement special fund to:

- (1) Fund qualified transportation projects; and
- (2) Receive reimbursements from private developers who have been advanced public funds to fulfill the conditions of land use development relating to transportation.

Developers will be offered a financing option to fulfill their financial obligation for the costs of required transportation projects if these projects meet federal and state eligibility requirements. This option will provide for more timely implementation of high priority transportation projects.

In addition, the Federal Highway Administration requires the establishment of this special fund to ensure that federal funds will be used for the intended transportation purposes.

SECTION 2. Chapter 264, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§264- Transportation improvement special fund. (a) There is created within the state treasury the transportation improvement special fund to fund qualified transportation projects and to receive reimbursements from private developers who have been advanced public funds to fulfill the conditions of land use development relating to transportation.

The director may expend from the special fund such sums as are necessary to advance transportation projects, including administrative expenses, to the extent permissible:

- (1) When such projects:
 - (A) Have been identified in or are consistent with the statewide transportation plan adopted pursuant to chapter 279A; and
 - (B) Satisfy all applicable federal and state eligibility requirements; or
- (2) When the director determines that funds previously authorized for the aforementioned projects are inadequate or any delay in the completion of such projects would unnecessarily increase their cost or intensify undesirable transportation conditions.

(b) Expenditures from the special fund shall be made on vouchers approved by the director or such other officer as may be designated by the director.

(c) There shall be credited to the special fund all reimbursements and any interest earned or penalty accrued on late payments thereon received from developers who have been advanced public funds to fulfill the conditions of land use development relating to transportation or other transportation requirements imposed upon such developers.

(d) Expenditures from the special fund may not be made by the director without appropriation by the legislature. No expenditure shall be made from, and no obligation shall be incurred against, the special fund in excess of the amount standing to the credit of the special fund or for any purpose for which moneys from the special fund may not lawfully be expended.

(e) The director may adopt rules pursuant to chapter 91 necessary to effectuate the purposes of, and to administer, this section.

- (f) As used in this section:

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“Director” means the director of transportation.

“Special fund” means the transportation improvement special fund.”

SECTION 3. The department of transportation shall prepare and submit an annual report to the legislature on the use of the transportation improvement special fund which shall include, but not be limited to:

- (1) The fund balance and the expenses made from the fund for the immediately preceding fiscal year; and
- (2) Proposed appropriations from the fund for the next fiscal year.

This report shall be submitted to the legislature no later than twenty days prior to the convening of each legislative session.

SECTION 4. It is the intent of this Act not to jeopardize the receipt of any federal aid nor to impair the obligation of the State or any agency thereof to the holders of any bond issued by the State or any such agency, and to the extent, and only to the extent, necessary to effectuate this intent, the governor may modify the strict provisions of this Act, but shall promptly report any such modification with reasons therefor to the legislature at its next session thereafter for review by the legislature.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 1997.

(Approved July 3, 1997.)

Note

1. Edited pursuant to HRS §23G-16.5.