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COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 4, 2016

Mr. Danilo Agsalog, Director
Department of Finance
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Agsalog:

SUBJECT: FISCAL YEAR ("FY") 2017 BUDGET (FN-5) (BF-1)

May I please request your response to the questions below, relating to the additional fee for certificates of registration proposed by your Department for deposit into the highway beautification and disposal of abandoned vehicles revolving fund and the litter control revolving fund referenced in Chapter 20.20, Maui County Code.

1. Highway beautification fund.

Section 286-51(b), Hawaii Revised Statutes, provides, in pertinent part:

"The \$2 fee established pursuant to this subsection for certificates of registration for motor vehicles other than U-drive motor vehicles may be increased by ordinance up to a maximum of \$10; provided that all amounts received from any fee increase over \$2 shall be expended only for the purposes of paragraph (2)."

The referenced Section 286-51(b)(2) authorizes use of the fee to defray the cost of disposal and other activities related to abandoned or derelict vehicles.

Any part of the fee in excess of \$2 may not, therefore, be used for general activities to beautify County highways authorized under Section 286-51(b)(1).

The Mayor's proposed budget includes a \$5 fee, on page 14 of the Ramseyer version of Appendix B, for new and duplicate certificates of registration for motor vehicles other than U-drives, to be deposited into the highway beautification fund.

- a. Is the highway beautification fund being used for purposes other than those relating to abandoned or derelict vehicles? Please explain.
 - b. How is the excess \$3 in fees being separately accounted for to ensure they are not being used for any highway beautification activities authorized by Maui County Code Section 3.25.030(B), other than those activities relating to abandoned or derelict vehicles (e.g., removal of animal carcasses, litter removal, or Community Work Day (now Malama Maui Nui) highway beautification activities)? Please explain.
2. Litter control revolving fund.

Maui County Code Section 20.20.070(C) provides that, "All moneys collected under this section shall be deposited into the litter control revolving fund as established in section 3.25.030 of the Maui County Code."

Section 3.25.030 establishes a revolving fund entitled "the highway beautification and disposal of abandoned vehicles revolving fund."

- a. Are the moneys collected under Section 20.20.070 for deposit into the "litter control revolving fund" being maintained in a litter control revolving fund, or are they being deposited into the highway beautification and disposal of abandoned vehicles revolving fund? Please explain.
- b. Is there a need to maintain them separately, or should the reference in Section 20.20.070(C) to the litter control revolving fund be changed to be consistent with the name of the fund in Section 3.25.030? Please explain.

May I further request you transmit your response no later than **April 11, 2016**, to enable the Committee to comprehensively review the FY 2017 budget. To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

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Should you have any questions, please contact me or the Committee staff (Michele Yoshimura at ext. 7663, Steve Selee at ext. 7687, Shelly Espeleta at ext. 7134, or Yvette Bouthillier at ext. 7758).

Sincerely,

A handwritten signature in black ink, appearing to read "Riki Hokama". The signature is fluid and cursive, with a large, sweeping flourish at the end.

RIKI HOKAMA, Chair
Budget and Finance Committee

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cc: Mayor Alan M. Arakawa
Budget Director
Jeffrey Ueoka, Deputy Corporation Counsel