

COUNCIL OF THE COUNTY OF MAUI
GOVERNANCE, ETHICS, AND
TRANSPARENCY COMMITTEE

September 11, 2020

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Governance, Ethics, and Transparency Committee, having met on August 25, 2020, makes reference to the following:

1. County Communication 19-25, from Council Chair Kelly T. King, relating to Hawaii State Association of Counties ("HSAC"); and
2. County Communication 19-26, from Council Chair Kelly T. King, relating to the Maui County Council Legislative Package.

Your Committee notes each year HSAC and the Council, respectively, may compile a package of proposals and priorities to be presented to the State Legislature. In accordance with Section 13C of the HSAC Bylaws, only those proposals and priorities approved by all four councils are included in the annual HSAC Legislative Package.

Your Committee received six proposals for inclusion in the 2021 HSAC Legislative Package and Maui County Council Legislative Package, including State bills to:

- allocate a portion of liquor fines collected per year to fund alcohol-addiction treatment programs;
- create a single-payer healthcare system covering all Hawaii residents;

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- authorize each county to regulate the number of rental cars within the county;
- re-establish and extend Maui County's authority for a General Excise Tax surcharge to June 30, 2021;
- allow a meeting by interactive conference technology to resume without adjournment when there is an infrastructure failure causing inability for audio communication to be maintained with all locations where the meeting by interactive conference technology is being held; and
- expand and enhance public participation in public meetings, while protecting the health and safety of board members, staff, testifiers, observers, other participants, and the general public, by allowing boards to use interactive conference technology to conduct virtual meetings under the Sunshine Law.

Increased Funding for Alcohol-Addiction Treatment Programs

By correspondence dated July 22, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO ALLOCATE A PORTION OF LIQUOR FINES COLLECTED PER YEAR TO FUND ALCOHOL ADDICTION TREATMENT PROGRAMS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO LIQUOR FINES COLLECTED PER YEAR." The purpose of the proposed State bill is to amend Section 281-17, Hawaii Revised

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Statutes ("HRS"), to increase the percentage of liquor fines collected per year to 25 percent, of which 15 percent may be used to fund alcohol-addiction treatment programs.

By correspondence dated July 22, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO ALLOCATE A PORTION OF LIQUOR FINES COLLECTED PER YEAR TO FUND ALCOHOL ADDICTION TREATMENT PROGRAMS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO LIQUOR FINES COLLECTED PER YEAR." The purpose of the proposed State bill is to amend Section 281-17, HRS, to increase the percentage of liquor fines collected per year to 25 percent, of which 15 percent may be used to fund alcohol-addiction treatment programs.

Your Committee discussed the intent of the proposals.

Your Committee noted the proposals would keep funding for public liquor-related educational or enforcement programs intact, at 10 percent of liquor fines collected per year, but would increase the total percentage of fines collected to 25 percent, to allow the remaining 15 percent to fund alcohol-addiction treatment programs.

Your Committee further noted the Department of Liquor Control is self-funded and the remaining 75 percent of liquor fines collected would continue to fund its operational expenses.

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Your Committee discussed the importance of supporting alcohol-addiction treatment programs to help curb a statewide increase in alcohol abuse and alcohol-related accidents and deaths.

Your Committee expressed support for the proposals that align with the County's Vision Zero goals and initiatives to prevent traffic-related injuries and fatalities.

Your Committee voted 8-0 to recommend adoption of the proposed resolutions. Committee Chair Molina, Vice-Chair Rawlins-Fernandez, and members Kama, King, Lee, Paltin, Sinenci, and Sugimura voted "aye." Committee member Hokama was excused.

Creating a Single-Payer Healthcare System

By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO CREATE A SINGLE-PAYER, HEALTHCARE SYSTEM COVERING ALL HAWAII RESIDENTS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO HEALTHCARE." The purpose of the proposed State bill is to add a new chapter in the HRS to create a single-payer healthcare system that may help to ensure accessible and affordable healthcare and provide relief from increasing costs and healthcare coverage instability for all Hawaii residents.

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By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY LEGISLATIVE PACKAGE A STATE BILL TO CREATE A SINGLE-PAYER HEALTHCARE SYSTEM COVERING ALL HAWAII RESIDENTS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO HEALTHCARE." The purpose of the proposed State bill is to add a new chapter in the HRS to create a single-payer healthcare system that may help to ensure accessible and affordable healthcare and provide relief from increasing costs and healthcare coverage instability for all Hawaii residents.

Your Committee discussed the intent of the proposals.

Your Committee noted the proposals would help to reduce healthcare costs for the public and overhead expenses for businesses.

Your Committee discussed the content of the proposed bills as being similar to House Bill 1286 (2019).

Your Committee notes Canada, Taiwan, and the United Kingdom are among the nations that have each implemented single-payer healthcare system concepts. Your Committee further notes all three members of Hawaii's Congressional delegation have cosponsored legislation for a similar purpose at the Federal level.

Your Committee agreed to amend the proposed legislation relating to the Hawaii Health Authority, in accordance with Section 322H, HRS.

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Your Committee expressed support for proposals that align with the County of Maui 2030 General Plan, Countywide Policy Plan, to broaden access to healthcare services and improve health and wellness.

Your Committee voted 8-0 to recommend adoption of the revised proposed resolutions. Committee Chair Molina, Vice-Chair Rawlins-Fernandez, and members Kama, King, Lee, Paltin, Sinenci, and Sugimura voted “aye.” Committee member Hokama was excused.

Your Committee is in receipt of a revised proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO CREATE A SINGLE-PAYER HEALTHCARE SYSTEM COVERING ALL HAWAII RESIDENTS,” and attached Exhibit “A,” incorporating your Committee’s recommended revisions and nonsubstantive revisions.

Your Committee is in receipt of a revised proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO CREATE A SINGLE-PAYER HEALTHCARE SYSTEM COVERING ALL HAWAII RESIDENTS,” and attached Exhibit “A,” incorporating your Committee’s recommended revisions and nonsubstantive revisions.

Giving Counties the Authority to Establish Rental-Car Limits

By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS.”

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The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO RENTAL CARS." The purpose of the proposed State bill is to amend Section 46-1.5, HRS, to authorize each county to regulate the number of rental cars within the county.

By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY LEGISLATIVE PACKAGE A STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO RENTAL CARS." The purpose of the proposed State bill is to amend Section 46-1.5, HRS, to authorize each county to regulate the number of rental cars within the county.

Your Committee discussed the intent of the proposals.

Your Committee further discussed the negative impacts to traffic, infrastructure, and the environment due to the unregulated number of rental cars on County and State roadways.

Your Committee noted, as a result of the COVID-19 pandemic and the drastic reduction of visitors, the number of rental cars parked in empty lots and on open land pose health and safety concerns.

Your Committee inquired about the possible impacts to County revenue if the number of rental cars in the County were reduced.

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Your Committee agreed to amend the bills to correct the word “amount” to “number” of rental cars.

Your Committee voted 8-0 to recommend adoption of the revised proposed resolutions. Committee Chair Molina, Vice-Chair Rawlins-Fernandez, and members Kama, King, Lee, Paltin, Sinenci, and Sugimura voted “aye.” Committee member Hokama was excused.

Your Committee is in receipt of a revised proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS,” and attached Exhibit “A,” entitled “A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLES,” incorporating your Committee’s recommended revisions and nonsubstantive revisions.

Your Committee is in receipt of a revised proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS,” and attached Exhibit “A,” entitled “A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLES,” incorporating your Committee’s recommended revisions and nonsubstantive revisions.

Establishing a General Excise Tax Surcharge

By correspondence dated August 14, 2020, Council Chair Alice L. Lee transmitted a proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO ALLOW MAUI COUNTY TO ESTABLISH A GENERAL EXCISE TAX SURCHARGE.”

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The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO TAXATION." The purpose of the proposed State bill is to amend Section 46-16.8, HRS, to re-establish and extend Maui County's authority for a General Excise Tax surcharge to June 30, 2021.

By correspondence dated August 14, 2020, Council Chair Alice L. Lee transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO ALLOW MAUI COUNTY TO ESTABLISH A GENERAL EXCISE TAX SURCHARGE."

The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO TAXATION." The purpose of the proposed State bill is to amend Section 46-16.8, HRS, to re-establish and extend Maui County's authority for a General Excise Tax surcharge to June 30, 2021.

Your Committee discussed the intent of the proposals.

Your Committee noted the proposals would provide the County with an additional means to generate County revenue should there be a need to reduce real property tax rates.

Your Committee discussed Maui County as being the only county without the option to charge a half-percent General Excise Tax surcharge. Maui County's deadline to establish the surcharge was March 31, 2019.

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Your Committee notes the Council approved a similar bill for inclusion in the 2020 Maui County Council Legislative Package. The 2020 Maui County Council Legislative Package bills for this purpose were House Bill 1776 and Senate Bill 2167.

Your Committee expressed concern with establishing an additional tax, but agreed it would be a way to provide real property tax relief to residents, if needed.

Your Committee voted 8-0 to recommend adoption of the proposed resolutions. Committee Chair Molina, Vice-Chair Rawlins-Fernandez, and members Kama, King, Lee, Paltin, Sinenci, and Sugimura voted “aye.” Committee member Hokama was excused.

Allowing Meetings by Interactive Conference Technology; and
Allowing Virtual Meetings

By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled “APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL RELATING TO MEETINGS BY INTERACTIVE CONFERENCE TECHNOLOGY.”

The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit “A,” entitled “A BILL FOR AN ACT RELATING TO MEETINGS BY INTERACTIVE CONFERENCE TECHNOLOGY.” The purpose of the proposed State bill is to amend Section 92-3.5, HRS, to allow a meeting by interactive conference technology to resume without adjournment when there is an infrastructure failure causing inability for audio communication to be maintained with all locations where the meeting by interactive conference technology is being held.

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By correspondence dated August 14, 2020, Councilmember Tamara Paltin transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY LEGISLATIVE PACKAGE A STATE BILL RELATING TO MEETINGS BY INTERACTIVE CONFERENCE TECHNOLOGY." The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO MEETINGS BY INTERACTIVE CONFERENCE TECHNOLOGY."

The purpose of the proposed State bill is to amend Section 92-3.5, HRS, to allow a meeting by interactive conference technology to resume without adjournment when there is an infrastructure failure causing inability for audio communication to be maintained with all locations where the meeting by interactive conference technology is being held.

By correspondence dated August 14, 2020, Council Chair Alice L. Lee transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A STATE BILL TO ALLOW VIRTUAL MEETINGS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 HSAC Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO SUNSHINE LAW BOARDS." The purpose of the proposed State bill is to amend Section 92-3.5, HRS, to expand and enhance public participation in public meetings, while protecting the health and safety of board members, staff, testifiers, observers, other participants, and the general public, by allowing boards to use interactive conference technology to conduct virtual meetings under the Sunshine Law.

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By correspondence dated August 14, 2020, Council Chair Alice L. Lee transmitted a proposed resolution entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY LEGISLATIVE PACKAGE A STATE BILL TO ALLOW VIRTUAL MEETINGS."

The purpose of the proposed resolution is to approve for inclusion in the 2021 Maui County Council Legislative Package a proposed State bill, attached to the proposed resolution as Exhibit "A," entitled "A BILL FOR AN ACT RELATING TO SUNSHINE LAW BOARDS." The purpose of the proposed State bill is to amend Section 92-3.5, HRS, to expand and enhance public participation in public meetings, while protecting the health and safety of board members, staff, testifiers, observers, other participants, and the general public, by allowing boards to use interactive conference technology to conduct virtual meetings under the Sunshine Law.

Your Committee discussed the intent of the proposals.

Despite the COVID-19 pandemic, your Committee noted board meetings were made possible only through the Governor's temporary partial suspension of the Sunshine Law, which allowed for the use of interactive conference technology to conduct meetings where board meetings were not in the same location without opening their locations to public attendance.

Your Committee discussed the need to amend the Sunshine Law to continue to allow virtual meetings using interactive conference technology, as it has shown to be an effective tool to continue meetings of a board in an open, transparent manner, while ensuring the health and safety of all participants.

Your Committee agreed it would be beneficial to consolidate the two proposals into one bill each for submittal to the 2021 HSAC Legislative Package and Maui County Council Legislative Package, respectively.

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Your Committee deferred the proposals pending further discussion.

Your Governance, Ethics, and Transparency Committee
RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled
“APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE
ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A
STATE BILL TO ALLOCATE A PORTION OF LIQUOR FINES
COLLECTED PER YEAR TO FUND ALCOHOL ADDICTION
TREATMENT PROGRAMS,” be ADOPTED;
2. That Resolution _____, attached hereto, entitled
“APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE
ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A
STATE BILL TO CREATE A SINGLE-PAYER HEALTHCARE
SYSTEM COVERING ALL HAWAII RESIDENTS,” be
ADOPTED;
3. That Resolution _____, attached hereto, entitled
“APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE
ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A
STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH
RENTAL-CAR LIMITS,” be ADOPTED;
4. That Resolution _____, attached hereto, entitled
“APPROVING FOR INCLUSION IN THE 2021 HAWAII STATE
ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A
STATE BILL TO ALLOW MAUI COUNTY TO ESTABLISH A
GENERAL EXCISE TAX SURCHARGE,” be ADOPTED;

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5. That Resolution _____, attached hereto, entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO ALLOCATE A PORTION OF LIQUOR FINES COLLECTED PER YEAR TO FUND ALCOHOL ADDICTION TREATMENT PROGRAMS," be ADOPTED;
6. That Resolution _____, attached hereto, entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO CREATE A SINGLE-PAYER HEALTHCARE SYSTEM COVERING ALL HAWAII RESIDENTS," be ADOPTED;
7. That Resolution _____, attached hereto, entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO GIVE COUNTIES AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS," be ADOPTED; and
8. That Resolution _____, attached hereto, entitled "APPROVING FOR INCLUSION IN THE 2021 MAUI COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE BILL TO ALLOW MAUI COUNTY TO ESTABLISH A GENERAL EXCISE TAX SURCHARGE," be ADOPTED.

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This report is submitted in accordance with Rule 8 of the Rules of the Council.



MICHAEL J. MOLINA, Chair

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Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 HAWAII
STATE ASSOCIATION OF COUNTIES LEGISLATIVE
PACKAGE A STATE BILL TO ALLOCATE A PORTION
OF LIQUOR FINES COLLECTED PER YEAR TO FUND
ALCOHOL ADDICTION TREATMENT PROGRAMS

WHEREAS, impaired driving while under the influence of alcohol contributes to roughly 40 percent of all fatal accidents in Hawaii annually; and

WHEREAS, while it is important to have laws in place to protect the public from drunk drivers, it is equally important to address the root of the issue relating to alcohol addiction; and

WHEREAS, according to a Substance Abuse and Mental Health Services Administration report, the rate of alcohol abuse in Hawaii has been higher than the national average every year since 2010; and

WHEREAS, in uncertain economic times, individuals may be more inclined to use alcohol as a coping mechanism in an attempt to temporarily deal with pain, anxiety, and depression; and

WHEREAS, allocating a portion of liquor fines collected per year to fund alcohol addiction treatment programs would help to provide social and economic benefits to Hawaii's residents; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allocate 15 percent of liquor fines collected per year be used to fund alcohol addiction treatment programs, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO LIQUOR FINES COLLECTED PER YEAR.

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

1 SECTION 1. The Substance Abuse and Mental Health Services
2 Administration reports that the annual rate of alcohol abuse in
3 Hawaii has been higher than the national average every year since
4 2010.

5 Impaired driving while under the influence of alcohol
6 contributes to roughly 40 per cent of all fatal accidents in Hawaii
7 annually.

8 There have been various forms of legislation enacted over the
9 years that help to protect the public from drunk drivers. However,
10 more must be done to prevent alcohol-related deaths, including
11 preventing and treating alcohol addiction.

12 Allocating a portion of liquor fines collected per year to
13 fund alcohol addiction treatment programs is another tool to help
14 minimize and, ultimately, prevent impaired driving.

15 The purpose of this Act is to allocate an additional 15 per
16 cent of liquor fines collected per year to be used to fund alcohol
17 addiction treatment programs.

____.B. NO. _____

1 SECTION 2. Section 281-17, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The liquor commission, within its own county, shall
4 have the jurisdiction, power, authority, and discretion, subject
5 only to this chapter:

6 (1) To grant, refuse, suspend, and revoke any license for
7 the manufacture, importation, and sale of liquors;

8 (2) To take appropriate action against a person who,
9 directly or indirectly, manufactures, sells, or
10 purchases any liquor without being authorized pursuant
11 to this chapter; provided that in counties that have
12 established by charter a liquor control adjudication
13 board, the board shall have the jurisdiction, power,
14 authority, and discretion to hear and determine
15 administrative complaints of the director regarding
16 violations of the liquor laws of the State or of the
17 rules of the liquor commission, and impose penalties for
18 violations thereof as may be provided by law;

19 (3) To control, supervise, and regulate the manufacture,
20 importation, and sale of liquors by investigation,
21 enforcement, and education; provided that any
22 educational program shall be limited to the commission
23 staff, commissioners, liquor control adjudication board

____.B. NO. ____

1 members, and licensees and their employees, and shall be
2 financed through the money collected from the assessment
3 of fines against licensees; provided that fine moneys[~~7~~]
4 are not to exceed [~~ten~~] 25 per cent a year of fines
5 accumulated, of which 10 per cent may be used to fund
6 public liquor-related educational or enforcement
7 programs and 15 per cent may be used to fund alcohol
8 addiction treatment programs;

9 (4) From time to time to make, amend, and repeal rules, not
10 inconsistent with this chapter, as in the judgment of
11 the commission are deemed appropriate for carrying out
12 this chapter and for the efficient administration
13 thereof, and the proper conduct of the business of all
14 licensees, including every matter or thing required to
15 be done or [~~which~~] that may be done with the approval or
16 consent, by order, under the direction or supervision
17 of, or as prescribed by the commission; which rules,
18 when adopted as provided in chapter 91 shall have the
19 force and effect of law;

20 (5) Subject to chapter 76, to appoint and remove an
21 administrator, who may also be appointed an investigator
22 and who shall be responsible for the operations and
23 activities of the staff. The administrator may hire and

____.B. NO. _____

1 remove hearing officers, investigators, and clerical or
2 other assistants as its business may from time to time
3 require, prescribe their duties and fix their
4 compensation, and engage the services of experts and
5 persons engaged in the practice of a profession, if
6 deemed expedient. Every investigator, within the scope
7 of the investigator's duties, shall have the powers of
8 a police officer.

9 (6) To limit the number of licenses of any class or kind
10 within the county, or the number of licenses of any class
11 or kind to do business in any given locality, when in
12 the judgment of the commission such limitations are in
13 the public interest;

14 (7) To prescribe the nature of the proof to be furnished,
15 the notices to be given, and the conditions to be met or
16 observed in the case of the issuance of a duplicate
17 license in place of one alleged to have been lost or
18 destroyed, including a requirement of any indemnity
19 deemed appropriate to the case;

20 (8) To fix the hours between which licensed premises of any
21 class or classes may regularly be open for the
22 transaction of business, which shall be uniform
23 throughout the county as to each class respectively;

_____.B. NO. _____

- 1 (9) To prescribe all forms to be used for the purposes of
2 this chapter not otherwise provided for in this chapter,
3 and the character and manner of keeping of books,
4 records, and accounts to be kept by licensees in any
5 matter pertaining to their business;
- 6 (10) To investigate violations of this chapter, chapter 244D
7 and, notwithstanding any law to the contrary,
8 violations of the applicable department of health's
9 allowable noise levels, through its investigators or
10 otherwise, to include covert operations, and to report
11 violations to the prosecuting officer for prosecution
12 and, where appropriate, the director of taxation to hear
13 and determine complaints against any licensee;
- 14 (11) To prescribe, by rule, the terms, conditions, and
15 circumstances under which persons or any class of
16 persons may be employed by holders of licenses;
- 17 (12) To prescribe, by rule, the term of any license or
18 solicitor's and representative's permit authorized by
19 this chapter, the annual or prorated amount, the manner
20 of payment of fees for the licenses and permits, and the
21 amount of filing fees;
- 22 (13) To prescribe, by rule, regulations on dancing in
23 licensed premises; and

_____.B. NO. _____

1 (14) To prescribe, by rule, the circumstances and penalty for
2 the unauthorized manufacturing or selling of any
3 liquor."

4 SECTION 3. Statutory material to be repealed is bracketed
5 and in strikethrough. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.

7

8 INTRODUCED BY: _____

9

10 paf:ske:20-178a

Resolution

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APPROVING FOR INCLUSION IN THE 2021
HAWAII STATE ASSOCIATION OF COUNTIES
LEGISLATIVE PACKAGE A STATE BILL TO
CREATE A SINGLE-PAYER HEALTHCARE
SYSTEM COVERING ALL HAWAII RESIDENTS

WHEREAS, the economic and fiscal health and survival of the County of Maui is tightly connected to the economic and fiscal health and survival of the State of Hawaii itself; and

WHEREAS, a *Reuters-Ipsos* survey published on August 23, 2018, showed 70 percent of Americans support a single-payer healthcare system, guaranteeing healthcare for all people living in the United States; and

WHEREAS, every person in the State of Hawaii, including every person in the County of Maui, deserves high-quality healthcare; and

WHEREAS, managed care and other market-based reforms have failed to contain healthcare costs; and

WHEREAS, the current COVID-19 pandemic has led to record levels of unemployment, loss of employer-sponsored health insurance, a severely strained healthcare system, widespread illness, and taken a profound toll on our community's mental health; and

WHEREAS, the United States spends roughly one-third of its \$3.5 trillion healthcare budget on non-medical expenses; and

WHEREAS, under a single-payer healthcare system, that figure could be reduced to approximately 6 to 8 percent; and

WHEREAS, according to a University of Michigan study published in the November 2010 issue of the *American Journal of Public Health*, online September 16, 2010, "Native Hawaiians are far more likely than whites to suffer early death"; and

WHEREAS, under Chapter 322H, Hawaii Revised Statutes, the Hawaii Health Authority is charged with developing "a comprehensive

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health plan” for “all residents,” which could include legislation for a single-payer healthcare system, but the State has not been supporting the Authority; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit “A,” to create a single-payer healthcare system covering all Hawaii residents, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package;
2. That the Council Chair is also authorized to testify on the Council’s behalf in support of similar legislation authored by the Hawaii Health Authority, if any; and
3. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

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____.B. NO.____

A BILL FOR AN ACT

RELATING TO HEALTHCARE.

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

1 SECTION 1. The legislature finds that it is in the best
2 interest of the State of Hawaii for each and every state resident
3 to have publicly provided high quality and affordable health care
4 insurance coverage. Health care involves more than medical
5 insurance payouts. It includes cost-saving preventive and early
6 intervention measures to prohibit medical conditions from becoming
7 chronic, permanently disabling, or fatal.

8 Hawaii's current complex health care insurance system is
9 disjointed, costly, inefficient, and unnecessarily complicated.
10 The multi-payer private medical insurance model is mostly
11 profit-driven, adversarial, onerously bureaucratic, economically
12 irrational, and beset with constant cost-shifting and reluctant
13 health care delivery. Additionally, health care rates are
14 skyrocketing, creating an affordability and accessibility crisis
15 for Hawaii's residents.

16 Today, one of the biggest cost-drivers of health care in
17 the United States and Hawaii is associated with a profit-driven,
18 complex system of payment-reluctant multi-payer health insurance

1 bureaucracies competing to insure only the healthy and the
2 wealthy, while leaving those who need health care the most to
3 the taxpayers. Another major cost-driver of healthcare is
4 attributable to the high cost of prescription drugs.

5 For more than a quarter of a century, Hawaii was far ahead
6 of most other states and often called itself "the health state"
7 because of the 1974 Prepaid Health Care Act. Hawaii was once
8 known for having a low uninsured population of between two and
9 five per cent in 1994. However, the health care crisis on the
10 United States continent began to spread to Hawaii.

11 Today, thousands of Hawaii residents lack health care
12 coverage, many of whom are children. Many Hawaii residents are
13 underinsured, unable to use their health insurance properly, or
14 unable to use their health insurance at all, due to increasingly
15 expensive deductibles and out-of-pocket co-payments for
16 healthcare costs such as outpatient visits, diagnostic tests,
17 and prescription drugs.

18 Even well-insured individuals experience problems with
19 health care organizations and insurance companies denying, or
20 very reluctantly dispensing, expensive medicines and
21 treatments. About half of all bankruptcies are due to extremely

1 expensive catastrophic illnesses that are not covered after a
2 certain cap is reached. Other persons are near bankruptcy and
3 their quality of life is seriously impacted.

4 The legislature further finds that a universal, publicly
5 administered, health care-for-all insurance model with one
6 payout agency for caregivers and providers, adapted to meet the
7 unique conditions in Hawaii, would be beneficial for the
8 following reasons:

9 (1) For union members and their employers, it means taking
10 health care off of the negotiating table;

11 (2) For patients, as taxpayers and insurance premium
12 payers, it means significant reductions in overall
13 costs, increases in benefits, and the slowing of annual
14 inflation cost increases. It also means a shift away
15 from increasingly uncaring profit-driven health care,
16 and a return to human-need driven, mutually respectful,
17 caring patient-doctor-nurse-and other caregiver
18 relationships, which in earlier times were fundamental
19 to meaningful health care;

20 (3) For businesses, large and small, it reduces significant
21 overhead expenses;

- 1 (4) For the local economy, it means keeping almost all
2 health care dollars in the State;
- 3 (5) For government, it means having one integrated
4 electronic health information database for
5 unprecedented planning and cost-containment
6 capabilities. It also means relief from the emerging
7 problem of unfunded liabilities associated with long-
8 term funding of government retiree lifetime health care
9 benefits;
- 10 (6) For physicians, nurses, and other caregivers, it means
11 less paperwork, less work stress, and more time with
12 patients;
- 13 (7) For hospitals, community health clinics, homecare
14 providers, and long-term care facilities, it means
15 sufficient and dependable annual financing through
16 global budgets; and
- 17 (8) For the public, it means accessible and affordable
18 health care for every person and relief from the
19 increasing and constant worries concerning health care
20 coverage instability.

1 The purpose of this Act is to create a unified, single-
2 payer, universal health care system covering all Hawaii
3 residents.

4 SECTION 2. The Hawaii Revised Statutes, is amended by adding
5 a new chapter to be appropriately designated and to read as
6 follows:

7 "CHAPTER

8 **SINGLE-PAYER UNIVERSAL HEALTH CARE SYSTEM**

9 § -1 **Single-payer universal health care insurance**
10 **system; established.** There is established the single-payer
11 universal health care insurance system to provide the same high-
12 quality level of medically necessary health care to all Hawaii
13 residents.

14 § -2 **State health care insurance planning and financing**
15 **authority.** (a) There is established within the department of
16 health, for administrative support purposes, the state health
17 care insurance planning and financing authority to determine the
18 costs of the system and to gather together the needed financing
19 methods and transition mechanisms.

20 (b) Effective July 1, 2021, the functions of the Hawaii
21 health authority shall be transferred to the state health care

1 insurance planning and financing authority, as well as the
2 Prepaid Health Care Act functions and the Hawaii employer union
3 health benefits trust fund, and these functions shall be
4 maintained until the full integration of each into the system
5 can be completed by the state health care insurance planning and
6 financing authority.

7 (c) The state health care insurance planning and financing
8 authority shall be composed of nine members appointed by the
9 governor as provided in section 26-34; provided that three
10 members shall be appointed from a list of nominees submitted by
11 the speaker of the house of representatives and three members
12 shall be appointed from a list of nominees submitted by the
13 president of the senate. Each member shall be appointed for a
14 term of four years. One member shall be selected to be the
15 executive director and confirmed by a majority vote of a quorum
16 of the members of the state health care insurance planning and
17 financing authority.

18 (d) Five members shall constitute a quorum, whose
19 affirmative vote shall be necessary for all valid actions by the
20 state health care insurance planning and financing authority.

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1 (e) The state health care insurance planning and financing
2 authority shall:

3 (1) Begin and maintain a trust fund comprised of a pay-as-
4 we-go transfer payments system and a reserve fund;

5 (2) Negotiate and receive all federal, state, and other
6 appropriate health care revenue;

7 (3) Assess temporary surcharges on income and general
8 excise taxes for start-up and emergency costs as
9 necessary, for instance, during epidemic or other
10 medical catastrophe;

11 (4) Be the single payer of universal health care financing
12 for Hawaii;

13 (5) Hire a chief executive officer who shall be
14 accountable for the development and success of the
15 single-payer universal health care system and other
16 staff as necessary; and

17 (6) Conduct a continuous and ongoing program of
18 enrollment.

19 (f) The concurrence of a majority of all directors shall
20 be necessary to make any action of the authority valid.

1 (g) The salary of the executive director shall be
2 \$ per year and the salaries of the other members shall
3 be \$ per year."

4 SECTION 3. All rights, powers, functions, and duties of
5 the Hawaii health authority agency and the Prepaid Health Care
6 Act functions of the Hawaii employer-union health benefits trust
7 fund are transferred to the state health care insurance planning
8 and financing authority.

9 All officers and employees whose functions are transferred
10 by this Act shall be transferred with their functions and shall
11 continue to perform their regular duties upon their transfer,
12 subject to the state personnel laws and this Act.

13 No officer or employee of the State having tenure shall
14 suffer any loss of salary, seniority, prior service credit,
15 vacation, sick leave, or other employee benefit or privilege as
16 a consequence of this Act, and such officer or employee may be
17 transferred or appointed to a civil service position without the
18 necessity of examination; provided that the officer or employee
19 possesses the minimum qualifications for the position to which
20 the person is transferred or appointed; and provided that

1 subsequent changes in status may be made pursuant to applicable
2 civil service and compensation laws.

3 An officer or employee of the State who does not have
4 tenure and who may be transferred or appointed to a civil
5 service position as a consequence of this Act shall become a
6 civil service employee without the loss of salary, seniority,
7 prior service credit, vacation, sick leave, or other employee
8 benefits or privileges and without the necessity of examination;
9 provided that such officer or employee possesses the minimum
10 qualifications for the position to which the person is
11 transferred or appointed.

12 If an office or position held by an officer or employee
13 having tenure is abolished, the officer or employee shall not
14 thereby be separated from public employment, but shall remain in
15 the employment of the State with the same pay and classification
16 and shall be transferred to some other office or position for
17 which the officer or employee is eligible under the personnel
18 laws of the State as determined by the head of the department or
19 the governor.

20 SECTION 4. All appropriations, records, equipment,
21 machines, files, supplies, contracts, books, papers, documents,

1 maps, and other personal property heretofore made, used,
2 acquired, or held by the department of labor and industrial
3 relations regarding the Prepaid Health Care Act, the Hawaii
4 health authority, and the Hawaii employer-union health benefits
5 trust fund relating to the functions transferred to the
6 department of health shall be transferred with the functions to
7 which they relate.

8 SECTION 5. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so much
10 thereof as may be necessary for fiscal year 2020-2021 and the
11 same sum or so much thereof as may be necessary for fiscal year
12 2021-2022 for establishment of the state health care insurance
13 planning and financing authority to operate a single-payer
14 universal health care insurance system.

15 The sums appropriated shall be expended by the department
16 of health for the purposes of this Act.

17 SECTION 6. If any provision of this Act, or the
18 application thereof to any person or circumstance, is held
19 invalid, the invalidity does not affect other provisions or
20 applications of the Act that can be given effect without the

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1 invalid provision or application, and to this end the provisions
2 of this Act are severable.

3 SECTION 7. This Act shall take effect on July 1, 2021.

4

5 INTRODUCED BY: _____

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 HAWAII
STATE ASSOCIATION OF COUNTIES LEGISLATIVE
PACKAGE A STATE BILL TO GIVE COUNTIES
AUTHORITY TO ESTABLISH RENTAL-CAR LIMITS

WHEREAS, by Resolution 19-98, the Council affirmed Maui County's commitment to the Paris Climate Agreement and its goals of mitigating greenhouse-gas emissions and adapting to impacts of climate change; and

WHEREAS, reducing rental cars on the road would contribute to meeting these goals by reducing dependency on petroleum and greenhouse gas emissions generated from for ground-transportation vehicles; and

WHEREAS, the United States Environmental Protection Agency states that a typical passenger vehicle emits about 4.6 metric tons of carbon dioxide per year; and

WHEREAS, over 20,000 rental cars on Maui adversely impact the County's ability to mitigate greenhouse-gas emissions; and

WHEREAS, the United States Department of Transportation states that reducing traffic can improve the environment by reducing vehicle miles traveled, which reduces fuel consumed and emissions generated by acceleration and decelerations; and

WHEREAS, counties do not have the ability to limit rental cars under State law; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allow counties to establish rental-car limits, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO RENTAL MOTOR VEHICLES.

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

1 SECTION 1. Hawai'i is committed to mitigating emissions and
2 creating a clean energy pathway by investing in renewable energy
3 and energy efficiency. Utilities and transportation currently
4 account for the majority of emissions in Hawai'i.

5 Reducing cars on the road will contribute to meeting Hawai'i's
6 clean energy goals by reducing dependency on petroleum and
7 greenhouse gas emissions generated from for ground transportation
8 vehicles. However, over 20,000 rental motor vehicles on Maui
9 adversely impact Hawai'i's intent to mitigate greenhouse gas
10 emissions.

11 SECTION 2. Section 46-1.5, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "Subject to general law, each county shall have the following
14 powers and shall be subject to the following liabilities and
15 limitations:

16 (1) Each county shall have the power to frame and adopt a
17 charter for its own self-government that shall establish the county
18 executive, administrative, and legislative structure and

_____.B. NO. _____

1 organization, including but not limited to the method of
2 appointment or election of officials, their duties,
3 responsibilities, and compensation, and the terms of their office;

4 (2) Each county shall have the power to provide for and
5 regulate the marking and lighting of all buildings and other
6 structures that may be obstructions or hazards to aerial
7 navigation, so far as may be necessary or proper for the protection
8 and safeguarding of life, health, and property;

9 (3) Each county shall have the power to enforce all claims on
10 behalf of the county and approve all lawful claims against the
11 county, but shall be prohibited from entering into, granting, or
12 making in any manner any contract, authorization, allowance
13 payment, or liability contrary to the provisions of any county
14 charter or general law;

15 (4) Each county shall have the power to make contracts and to
16 do all things necessary and proper to carry into execution all
17 powers vested in the county or any county officer;

18 (5) Each county shall have the power to:

19 (A) Maintain channels, whether natural or artificial,
20 including their exits to the ocean, in suitable condition to carry
21 off storm waters;

22 (B) Remove from the channels, and from the shores and beaches,
23 any debris that is likely to create an unsanitary condition or

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1 become a public nuisance; provided that, to the extent any of the
2 foregoing work is a private responsibility, the responsibility may
3 be enforced by the county in lieu of the work being done at public
4 expense;

5 (C) Construct, acquire by gift, purchase, or by the exercise
6 of eminent domain, reconstruct, improve, better, extend, and
7 maintain projects or undertakings for the control of and protection
8 against floods and flood waters, including the power to drain and
9 rehabilitate lands already flooded;

10 (D) Enact zoning ordinances providing that lands deemed
11 subject to seasonable, periodic, or occasional flooding shall not
12 be used for residence or other purposes in a manner as to endanger
13 the health or safety of the occupants thereof, as required by the
14 Federal Flood Insurance Act of 1956 (chapter 1025, Public Law
15 1016); and

16 (E) Establish and charge user fees to create and maintain any
17 stormwater management system or infrastructure;

18 (6) Each county shall have the power to exercise the power of
19 condemnation by eminent domain when it is in the public interest
20 to do so;

21 (7) Each county shall have the power to exercise regulatory
22 powers over business activity as are assigned to them by chapter
23 445 or other general law;

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1 (8) Each county shall have the power to fix the fees and
2 charges for all official services not otherwise provided for;

3 (9) Each county shall have the power to provide by ordinance
4 assessments for the improvement or maintenance of districts within
5 the county;

6 (10) Except as otherwise provided, no county shall have the
7 power to give or loan credit to, or in aid of, any person or
8 corporation, directly or indirectly, except for a public purpose;

9 (11) Where not within the jurisdiction of the public utilities
10 commission, each county shall have the power to regulate by
11 ordinance the operation of motor vehicle common carriers
12 transporting passengers and the number of rental motor vehicles
13 within the county and adopt and amend rules the county deems
14 necessary for the public convenience and necessity;

15 (12) Each county shall have the power to enact and enforce
16 ordinances necessary to prevent or summarily remove public
17 nuisances and to compel the clearing or removal of any public
18 nuisance, refuse, and uncultivated undergrowth from streets,
19 sidewalks, public places, and unoccupied lots. In connection with
20 these powers, each county may impose and enforce liens upon the
21 property for the cost to the county of removing and completing the
22 necessary work where the property owners fail, after reasonable
23 notice, to comply with the ordinances. The authority provided by

1 this paragraph shall not be self-executing, but shall become fully
2 effective within a county only upon the enactment or adoption by
3 the county of appropriate and particular laws, ordinances, or rules
4 defining "public nuisances" with respect to each county's
5 respective circumstances. The counties shall provide the property
6 owner with the opportunity to contest the summary action and to
7 recover the owner's property;

8 (13) Each county shall have the power to enact ordinances
9 deemed necessary to protect health, life, and property, and to
10 preserve the order and security of the county and its inhabitants
11 on any subject or matter not inconsistent with, or tending to
12 defeat, the intent of any state statute where the statute does not
13 disclose an express or implied intent that the statute shall be
14 exclusive or uniform throughout the State;

15 (14) Each county shall have the power to:

16 (A) Make and enforce within the limits of the county all
17 necessary ordinances covering all:

18 (i) Local police matters;

19 (ii) Matters of sanitation;

20 (iii) Matters of inspection of buildings;

21 (iv) Matters of condemnation of unsafe structures, plumbing,
22 sewers, dairies, milk, fish, and morgues; and

_____.B. NO. _____

1 (v) Matters of the collection and disposition of rubbish and
2 garbage;

3 (B) Provide exemptions for homeless facilities and any other
4 program for the homeless authorized by part XVII of chapter 346,
5 for all matters under this paragraph;

6 (C) Appoint county physicians and sanitary and other
7 inspectors as necessary to carry into effect ordinances made under
8 this paragraph, who shall have the same power as given by law to
9 agents of the department of health, subject only to limitations
10 placed on them by the terms and conditions of their appointments;
11 and

12 (D) Fix a penalty for the violation of any ordinance, which
13 penalty may be a misdemeanor, petty misdemeanor, or violation as
14 defined by general law;

15 (15) Each county shall have the power to provide public
16 pounds; to regulate the impounding of stray animals and fowl, and
17 their disposition; and to provide for the appointment, powers,
18 duties, and fees of animal control officers;

19 (16) Each county shall have the power to purchase and
20 otherwise acquire, lease, and hold real and personal property
21 within the defined boundaries of the county and to dispose of the
22 real and personal property as the interests of the inhabitants of
23 the county may require, except that:

____.B. NO. _____

1 (A) Any property held for school purposes may not be disposed
2 of without the consent of the superintendent of education;

3 (B) No property bordering the ocean shall be sold or otherwise
4 disposed of; and

5 (C) All proceeds from the sale of park lands shall be expended
6 only for the acquisition of property for park or recreational
7 purposes;

8 (17) Each county shall have the power to provide by charter
9 for the prosecution of all offenses and to prosecute for offenses
10 against the laws of the State under the authority of the attorney
11 general of the State;

12 (18) Each county shall have the power to make appropriations
13 in amounts deemed appropriate from any moneys in the treasury, for
14 the purpose of:

15 (A) Community promotion and public celebrations;

16 (B) The entertainment of distinguished persons as may from
17 time to time visit the county;

18 (C) The entertainment of other distinguished persons, as well
19 as, public officials when deemed to be in the best interest of the
20 community; and

21 (D) The rendering of civic tribute to individuals who, by
22 virtue of their accomplishments and community service, merit civic
23 commendations, recognition, or remembrance;

_____.B. NO. _____

1 (19) Each county shall have the power to:

2 (A) Construct, purchase, take on lease, lease, sublease, or
3 in any other manner acquire, manage, maintain, or dispose of
4 buildings for county purposes, sewers, sewer systems, pumping
5 stations, waterworks, including reservoirs, wells, pipelines, and
6 other conduits for distributing water to the public, lighting
7 plants, and apparatus and appliances for lighting streets and
8 public buildings, and manage, regulate, and control the same;

9 (B) Regulate and control the location and quality of all
10 appliances necessary to the furnishing of water, heat, light,
11 power, telephone, and telecommunications service to the county;

12 (C) Acquire, regulate, and control any and all appliances for
13 the sprinkling and cleaning of the streets and the public ways,
14 and for flushing the sewers; and

15 (D) Open, close, construct, or maintain county highways or
16 charge toll on county highways; provided that all revenues received
17 from a toll charge shall be used for the construction or
18 maintenance of county highways;

19 (20) Each county shall have the power to regulate the renting,
20 subletting, and rental conditions of property for places of abode
21 by ordinance;

____.B. NO. _____

1 (21) Unless otherwise provided by law, each county shall have
2 the power to establish by ordinance the order of succession of
3 county officials in the event of a military or civil disaster;

4 (22) Each county shall have the power to sue and be sued in
5 its corporate name;

6 (23) Each county shall have the power to:

7 (A) Establish and maintain waterworks and sewer works;

8 (B) Implement a sewer monitoring program that includes the
9 inspection of sewer laterals that connect to county sewers, when
10 those laterals are located on public or private property, after
11 providing a property owner not less than ten calendar days' written
12 notice, to detect leaks from laterals, infiltration, and inflow,
13 any other law to the contrary notwithstanding;

14 (C) Compel an owner of private property upon which is located
15 any sewer lateral that connects to a county sewer to inspect that
16 lateral for leaks, infiltration, and inflow and to perform repairs
17 as necessary;

18 (D) Collect rates for water supplied to consumers and for the
19 use of sewers;

20 (E) Install water meters whenever deemed expedient; provided
21 that owners of premises having vested water rights under existing
22 laws appurtenant to the premises shall not be charged for the
23 installation or use of the water meters on the premises; and

____.B. NO. _____

1 (F) Take over from the State existing waterworks systems,
2 including water rights, pipelines, and other appurtenances
3 belonging thereto, and sewer systems, and to enlarge, develop, and
4 improve the same; and

5 (G) For purposes of subparagraphs (B) and (C):

6 (i) "Infiltration" means groundwater, rainwater, and
7 saltwater that enters the county sewer system through cracked,
8 broken, or defective sewer laterals; and

9 (ii) "Inflow" means non-sewage entering the county sewer
10 system via inappropriate or illegal connections;

11 (24)(A) Each county may impose civil fines, in addition to
12 criminal penalties, for any violation of county ordinances or rules
13 after reasonable notice and requests to correct or cease the
14 violation have been made upon the violator. Any administratively
15 imposed civil fine shall not be collected until after an
16 opportunity for a hearing under chapter 91. Any appeal shall be
17 filed within thirty days from the date of the final written
18 decision. These proceedings shall not be a prerequisite for any
19 civil fine or injunctive relief ordered by the circuit court;

20 (B) Each county by ordinance may provide for the addition of
21 any unpaid civil fines, ordered by any court of competent
22 jurisdiction, to any taxes, fees, or charges, with the exception
23 of fees or charges for water for residential use and sewer charges,

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1 collected by the county. Each county by ordinance may also provide
2 for the addition of any unpaid administratively imposed civil
3 fines, which remain due after all judicial review rights under
4 section 91-14 are exhausted, to any taxes, fees, or charges, with
5 the exception of water for residential use and sewer charges,
6 collected by the county. The ordinance shall specify the
7 administrative procedures for the addition of the unpaid civil
8 fines to the eligible taxes, fees, or charges and may require
9 hearings or other proceedings. After addition of the unpaid civil
10 fines to the taxes, fees, or charges, the unpaid civil fines shall
11 not become a part of any taxes, fees, or charges. The county by
12 ordinance may condition the issuance or renewal of a license,
13 approval, or permit for which a fee or charge is assessed, except
14 for water for residential use and sewer charges, on payment of the
15 unpaid civil fines. Upon recordation of a notice of unpaid civil
16 fines in the bureau of conveyances, the amount of the civil fines,
17 including any increase in the amount of the fine which the county
18 may assess, shall constitute a lien upon all real property or
19 rights to real property belonging to any person liable for the
20 unpaid civil fines. The lien in favor of the county shall be
21 subordinate to any lien in favor of any person recorded or
22 registered prior to the recordation of the notice of unpaid civil
23 fines and senior to any lien recorded or registered after the

____.B. NO. _____

1 recordation of the notice. The lien shall continue until the unpaid
2 civil fines are paid in full or until a certificate of release or
3 partial release of the lien, prepared by the county at the owner's
4 expense, is recorded. The notice of unpaid civil fines shall state
5 the amount of the fine as of the date of the notice and maximum
6 permissible daily increase of the fine. The county shall not be
7 required to include a social security number, state general excise
8 taxpayer identification number, or federal employer identification
9 number on the notice. Recordation of the notice in the bureau of
10 conveyances shall be deemed, at such time, for all purposes and
11 without any further action, to procure a lien on land registered
12 in land court under chapter 501. After the unpaid civil fines are
13 added to the taxes, fees, or charges as specified by county
14 ordinance, the unpaid civil fines shall be deemed immediately due,
15 owing, and delinquent and may be collected in any lawful manner.
16 The procedure for collection of unpaid civil fines authorized in
17 this paragraph shall be in addition to any other procedures for
18 collection available to the State and county by law or rules of
19 the courts;

20 (C) Each county may impose civil fines upon any person who
21 places graffiti on any real or personal property owned, managed,
22 or maintained by the county. The fine may be up to \$1,000 or may
23 be equal to the actual cost of having the damaged property repaired

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1 or replaced. The parent or guardian having custody of a minor who
2 places graffiti on any real or personal property owned, managed,
3 or maintained by the county shall be jointly and severally liable
4 with the minor for any civil fines imposed hereunder. Any such
5 fine may be administratively imposed after an opportunity for a
6 hearing under chapter 91, but such a proceeding shall not be a
7 prerequisite for any civil fine ordered by any court. As used in
8 this subparagraph, "graffiti" means any unauthorized drawing,
9 inscription, figure, or mark of any type intentionally created by
10 paint, ink, chalk, dye, or similar substances;

11 (D) At the completion of an appeal in which the county's
12 enforcement action is affirmed and upon correction of the violation
13 if requested by the violator, the case shall be reviewed by the
14 county agency that imposed the civil fines to determine the
15 appropriateness of the amount of the civil fines that accrued while
16 the appeal proceedings were pending. In its review of the amount
17 of the accrued fines, the county agency may consider:

18 (i) The nature and egregiousness of the violation;

19 (ii) The duration of the violation;

20 (iii) The number of recurring and other similar violations;

21 (iv) Any effort taken by the violator to correct the
22 violation;

____.B. NO. _____

1 (v) The degree of involvement in causing or continuing the
2 violation;

3 (vi) Reasons for any delay in the completion of the appeal;
4 and

5 (vii) Other extenuating circumstances.

6 The civil fine that is imposed by administrative order after
7 this review is completed and the violation is corrected shall be
8 subject to judicial review, notwithstanding any provisions for
9 administrative review in county charters;

10 (E) After completion of a review of the amount of accrued
11 civil fine by the county agency that imposed the fine, the amount
12 of the civil fine determined appropriate, including both the
13 initial civil fine and any accrued daily civil fine, shall
14 immediately become due and collectible following reasonable notice
15 to the violator. If no review of the accrued civil fine is
16 requested, the amount of the civil fine, not to exceed the total
17 accrual of civil fine prior to correcting the violation, shall
18 immediately become due and collectible following reasonable notice
19 to the violator, at the completion of all appeal proceedings; and

20 (F) If no county agency exists to conduct appeal proceedings
21 for a particular civil fine action taken by the county, then one
22 shall be established by ordinance before the county shall impose
23 the civil fine;

____.B. NO. _____

(25) Any law to the contrary notwithstanding, any county mayor, by executive order, may exempt donors, provider agencies, homeless facilities, and any other program for the homeless under part XVII of chapter 346 from real property taxes, water and sewer development fees, rates collected for water supplied to consumers and for use of sewers, and any other county taxes, charges, or fees; provided that any county may enact ordinances to regulate and grant the exemptions granted by this paragraph;

(26) Any county may establish a captive insurance company pursuant to article 19, chapter 431; and

(27) Each county shall have the power to enact and enforce ordinances regulating towing operations."

SECTION 3. Statutory material to be repealed is bracketed and in strikethrough. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY: _____

get:misc:003(2)amisc(rental-car limits)02:ske

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 HAWAII
STATE ASSOCIATION OF COUNTIES LEGISLATIVE
PACKAGE A STATE BILL TO ALLOW MAUI COUNTY TO
ESTABLISH A GENERAL EXCISE TAX SURCHARGE

WHEREAS, Maui County was authorized to establish a General Excise Tax surcharge up until March 31, 2019; and

WHEREAS, extending the deadline would allow Maui County to establish the surcharge; and

WHEREAS, Maui County is the only county in the State that is not receiving the benefits of a General Excise Tax surcharge; and

WHEREAS, the surcharge would provide much-needed diversification in Maui County's ability to generate revenue, while limiting the burden on residents subject to the Real Property Tax; and

WHEREAS, the funds derived from the surcharge would allow for a greater investment in infrastructure, affordable housing, transportation, and other countywide priorities; and

WHEREAS, these funds will be even more necessary in light of the negative economic impacts of the COVID-19 pandemic; and

WHEREAS, enabling legislation has already been introduced to the Council and is pending before the Economic, Development and Budget Committee; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allow Maui County to establish a General Excise Tax surcharge, is approved for inclusion in the 2021 Hawaii State Association of Counties Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 46-16.8, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**\$46-16.8 County surcharge on state tax.**

4 (a) Each county may establish a surcharge on state tax at
5 the rates enumerated in sections 237-8.6 and 238-2.6. A county
6 electing to establish this surcharge shall do so by ordinance;
7 provided that:

8 (1) No ordinance shall be adopted until the county
9 has conducted a public hearing on the proposed ordinance;

10 (2) The ordinance shall be adopted prior to December
11 31, 2005; and

12 (3) No county surcharge on state tax that may be
13 authorized under this subsection shall be levied prior to
14 January 1, 2007, or after December 31, 2022, unless
15 extended pursuant to subsection (b).

16 Notice of the public hearing required under paragraph (1) shall
17 be published in a newspaper of general circulation within the
18 county at least twice within a period of thirty days immediately
19 preceding the date of the hearing.

20 A county electing to exercise the authority granted under
21 this subsection shall notify the director of taxation within ten
22 days after the county has adopted a surcharge on state tax
23 ordinance and, beginning no earlier than January 1, 2007, the
24 director of taxation shall levy, assess, collect, and otherwise
25 administer the county surcharge on state tax.

26 (b) Each county that has established a surcharge on state
27 tax prior to July 1, 2015, under authority of subsection (a) may
28 extend the surcharge until December 31, 2030, at the same rates.
29 A county electing to extend this surcharge shall do so by
30 ordinance; provided that:

31 (1) No ordinance shall be adopted until the county
32 has conducted a public hearing on the proposed ordinance;
33 and

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1 (2) The ordinance shall be adopted prior to January 1,
2 2018.

3 A county electing to exercise the authority granted under
4 this subsection shall notify the director of taxation within ten
5 days after the county has adopted an ordinance extending the
6 surcharge on state tax. The director of taxation shall levy,
7 assess, collect, and otherwise administer the extended surcharge
8 on state tax.

9 (c) Each county that has not established a surcharge on
10 state tax prior to July 1, 2015, may establish the surcharge at
11 the rates enumerated in sections 237-8.6 and 238-2.6. A county
12 electing to establish this surcharge shall do so by ordinance;
13 provided that:

14 (1) No ordinance shall be adopted until the county
15 has conducted a public hearing on the proposed ordinance;

16 (2) The ordinance shall be adopted prior to ~~[March~~
17 ~~31, 2019]~~ June 30, 2021; and

18 (3) No county surcharge on state tax that may be
19 authorized under this subsection shall be levied prior to
20 January 1, 2019, or after December 31, 2030.

21 A county electing to exercise the authority granted under
22 this subsection shall notify the director of taxation within ten
23 days after the county has adopted a surcharge on state tax
24 ordinance. Beginning ~~[on]~~ no earlier than January 1, 2019, ~~[on~~
25 ~~January 1, 2020,~~] as applicable pursuant to sections 237-8.6 and
26 238-2.6, the director of taxation shall levy, assess, collect,
27 and otherwise administer the county surcharge on state tax.

28 (d) Notice of the public hearing required under subsection
29 (b) or (c) before adoption of an ordinance establishing or
30 extending the surcharge on state tax shall be published in a
31 newspaper of general circulation within the county at least
32 twice within a period of thirty days immediately preceding the
33 date of the hearing.

34 (e) Each county with a population greater than five
35 hundred thousand that adopts or extends a county surcharge on
36 state tax ordinance pursuant to subsection (a) or (b) shall use
37 the surcharge revenues received from the State for capital costs
38 of a locally preferred alternative for a mass transit project;
39 provided that revenues derived from the county surcharge on
40 state tax shall not be used:

41 (1) To build or repair public roads or highways,
42 bicycle paths, or support public transportation systems
43 already in existence prior to July 12, 2005;

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1 (2) For operating costs or maintenance costs of the
2 mass transit project or any purpose not consistent with
3 this subsection; or

4 (3) For administrative or operating, marketing, or
5 maintenance costs, including personnel costs, of a rapid
6 transportation authority charged with the responsibility
7 for constructing, operating, or maintaining the mass
8 transit project; provided further that nothing in this
9 section shall be construed to prohibit a county from using
10 county funds that are not derived from a surcharge on state
11 tax for a purpose described in paragraph (2) or (3).

12 (f) Each county with a population equal to or less than
13 five hundred thousand that adopts a county surcharge on state
14 tax ordinance pursuant to this section shall use the surcharges
15 received from the State for:

16 (1) Operating or capital costs of public
17 transportation within each county for public transportation
18 systems, including public roadways or highways, public buses,
19 trains, ferries, pedestrian paths or sidewalks, or bicycle
20 paths; and

21 (2) Expenses in complying with the Americans with
22 Disabilities Act of 1990 with respect to paragraph (1).

23 (g) As used in this section, "capital costs" means
24 nonrecurring costs required to construct a transit facility or
25 system, including debt service, costs of land acquisition and
26 development, acquiring of rights-of-way, planning, design, and
27 construction, and including equipping and furnishing the
28 facility or system. For a county with a population greater than
29 five hundred thousand, capital costs also include non-recurring
30 personal services and other overhead costs that are not intended
31 to continue after completion of construction of the minimum
32 operable segment of the locally preferred alternative for a mass
33 transit project."
34

35 SECTION 2. Section 237-8.6, Hawaii Revised Statutes, is

36 amended to read as follows:

37 **"§237-8.6 County surcharge on state tax; administration.**

38 (a) The county surcharge on state tax, upon the adoption
39 of county ordinances and in accordance with the requirements of
40 section 46-16.8, shall be levied, assessed, and collected as
41 provided in this section on all gross proceeds and gross income
42 taxable under this chapter. No county shall set the surcharge

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1 on state tax at a rate greater than one-half per cent of all
2 gross proceeds and gross income taxable under this chapter. All
3 provisions of this chapter shall apply to the county surcharge
4 on state tax. With respect to the surcharge, the director of
5 taxation shall have all the rights and powers provided under
6 this chapter. In addition, the director of taxation shall have
7 the exclusive rights and power to determine the county or
8 counties in which a person is engaged in business and, in the
9 case of a person engaged in business in more than one county,
10 the director shall determine, through apportionment or other
11 means, that portion of the surcharge on state tax attributable
12 to business conducted in each county.

13 (b) Each county surcharge on state tax that may be adopted
14 or extended pursuant to section 46-16.8 shall be levied
15 beginning in a taxable year after the adoption of the relevant
16 county ordinance; provided that no surcharge on state tax may be
17 levied:

18 (1) Prior to:

19 (A) January 1, 2007, if the county surcharge on
20 state tax was established by an ordinance adopted
21 prior to December 31, 2005;

22 (B) January 1, 2019, if the county surcharge on
23 state tax was established by the adoption of an
24 ordinance after June 30, 2015, but prior to June 30,
25 2018; or

26 (C) January 1, 2020, if the county surcharge on
27 state tax was established by the adoption of an
28 ordinance on or after June 30, 2018, but prior to
29 March 31, 2019; ~~and~~

30 (D) January 1, 2021, if the county surcharge on
31 state tax was established by the adoption of an
32 ordinance on or after March 31, 2019, but prior to
33 June 30, 2020;

34 (E) January 1, 2022, if the county surcharge on
35 state tax was established by the adoption of an
36 ordinance on or after June 30, 2020, but prior to June
37 30, 2021; and

38 (2) After December 31, 2030.

39 (c) The county surcharge on state tax, if adopted, shall be
40 imposed on the gross proceeds or gross income of all written
41 contracts that require the passing on of the taxes imposed under
42 this chapter; provided that if the gross proceeds or gross
43 income are received as payments beginning in the taxable year in
44 which the taxes become effective, on contracts entered into

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1 before June 30 of the year prior to the taxable year in which
2 the taxes become effective, and the written contracts do not
3 provide for the passing on of increased rates of taxes, the
4 county surcharge on state tax shall not be imposed on the gross
5 proceeds or gross income covered under the written
6 contracts. The county surcharge on state tax shall be imposed
7 on the gross proceeds or gross income from all contracts entered
8 into on or after June 30 of the year prior to the taxable year
9 in which the taxes become effective, regardless of whether the
10 contract allows for the passing on of any tax or any tax
11 increases.

12 (d) No county surcharge on state tax shall be established
13 on any:

14 (1) Gross income or gross proceeds taxable under this
15 chapter at the one-half per cent tax rate;

16 (2) Gross income or gross proceeds taxable under this
17 chapter at the 0.15 per cent tax rate; or

18 (3) Transactions, amounts, persons, gross income, or
19 gross proceeds exempt from tax under this chapter.

20 (e) The director of taxation shall revise the general
21 excise tax forms to provide for the clear and separate
22 designation of the imposition and payment of the county
23 surcharge on state tax.

24 (f) The taxpayer shall designate the taxation district to
25 which the county surcharge on state tax is assigned in
26 accordance with rules adopted by the director of taxation under
27 chapter 91. The taxpayer shall file a schedule with the
28 taxpayer's periodic and annual general excise tax returns
29 summarizing the amount of taxes assigned to each taxation
30 district.

31 (g) The penalties provided by section 231-39 for failure to
32 file a tax return shall be imposed on the amount of surcharge
33 due on the return being filed for the failure to file the
34 schedule required to accompany the return. In addition, there
35 shall be added to the tax an amount equal to ten per cent of the
36 amount of the surcharge and tax due on the return being filed
37 for the failure to file the schedule or the failure to correctly
38 report the assignment of the general excise tax by taxation
39 district on the schedule required under this subsection.

40 (h) All taxpayers who file on a fiscal year basis whose
41 fiscal year ends after December 31 of the year prior to the
42 taxable year in which the taxes become effective, shall file a
43 short period annual return for the period preceding January 1 of
44 the taxable year in which the taxes become effective. Each

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1 fiscal year taxpayer shall also file a short period annual
2 return for the period starting on January 1 of the taxable year
3 in which the taxes become effective, and ending before January 1
4 of the following year."

5
6 SECTION 3. Section 238-2.6, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"§238-2.6 County surcharge on state tax; administration.**

9 (a) The county surcharge on state tax, upon the adoption
10 of a county ordinance and in accordance with the requirements of
11 section 46-16.8, shall be levied, assessed, and collected as
12 surcharge on state tax at a rate greater than one-half per cent
13 of the value of property taxable under this chapter. All
14 provisions of this chapter shall apply to the county surcharge
15 on state tax. With respect to the surcharge, the director shall
16 have all the rights and powers provided under this chapter. In
17 addition, the director of taxation shall have the exclusive
18 rights and power to determine the county or counties in which a
19 person imports or purchases property and, in the case of a
20 person importing or purchasing property in more than one county,
21 the director shall determine, through apportionment or other
22 means, that portion of the surcharge on state tax attributable
23 to the importation or purchase in each county.

24 (b) Each county surcharge on state tax that may be adopted
25 or extended shall be levied beginning in a taxable year after
26 the adoption of the relevant county ordinance; provided that no
27 surcharge on state tax may be levied:

28 (1) Prior to:

29 (A) January 1, 2007, if the county surcharge on
30 state tax was established by an ordinance adopted
31 prior to December 31, 2005;

32 (B) January 1, 2019, if the county surcharge on
33 state tax was established by the adoption of an
34 ordinance after June 30, 2015, but prior to June 30,
35 2018; or

36 (C) January 1, 2020, if the county surcharge on
37 state tax was established by the adoption of an
38 ordinance on or after June 30, 2018, but prior to
39 March 31, 2019; ~~and~~

40 (D) January 1, 2021, if the county surcharge on
41 state tax was established by the adoption of an

____.B. NO. _____

1 ordinance on or after March 31, 2019, but prior to
2 June 30, 2020;

3 (E) January 1, 2022, if the county surcharge on
4 state tax was established by the adoption of an
5 ordinance on or after June 30, 2020, but prior to June
6 30, 2021; and

7 (2) After December 31, 2030.

8 (c) No county surcharge on state tax shall be established
9 upon any use taxable under this chapter at the one-half per cent
10 tax rate or upon any use that is not subject to taxation or that
11 is exempt from taxation under this chapter.

12 (d) The director of taxation shall revise the use tax
13 forms to provide for the clear and separate designation of the
14 imposition and payment of the county surcharge on state tax.

15 (e) The taxpayer shall designate the taxation district to
16 which the county surcharge on state tax is assigned in
17 accordance with rules adopted by the director of taxation under
18 chapter 91. The taxpayer shall file a schedule with the
19 taxpayer's periodic and annual use tax returns summarizing the
20 amount of taxes assigned to each taxation district.

21 (f) The penalties provided by section 231-39 for failure
22 to file a tax return shall be imposed on the amount of surcharge
23 due on the return being filed for the failure to file the
24 schedule required to accompany the return. In addition, there
25 shall be added to the tax an amount equal to ten per cent of the
26 amount of the surcharge and tax due on the return being filed
27 for the failure to file the schedule or the failure to correctly
28 report the assignment of the use tax by taxation district on the
29 schedule required under this subsection.

30 (g) All taxpayers who file on a fiscal year basis whose
31 fiscal year ends after December 31 of the year prior to the
32 taxable year in which the taxes become effective, shall file a
33 short period annual return for the period preceding January 1 of
34 the taxable year in which the taxes become effective. Each
35 fiscal year taxpayer shall also file a short period annual
36 return for the period starting on January 1 of the taxable year
37 in which the taxes become effective, and ending before January 1
38 of the following year.

39
40 SECTION 4. Statutory material to be deleted is bracketed
41 and in strikethrough. New statutory material is underscored.

42 SECTION 5. This Act shall take effect upon its approval.

____.B. NO. _____

1

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INTRODUCED BY: _____

3

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 MAUI
COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE
BILL TO ALLOCATE A PORTION OF LIQUOR FINES
COLLECTED PER YEAR TO FUND ALCOHOL
ADDICTION TREATMENT PROGRAMS

WHEREAS, impaired driving while under the influence of alcohol contributes to roughly 40 percent of all fatal accidents in Hawaii annually; and

WHEREAS, while it is important to have laws in place to protect the public from drunk drivers, it is equally important to address the root of the issue relating to alcohol addiction; and

WHEREAS, according to a Substance Abuse and Mental Health Services Administration report, the rate of alcohol abuse in Hawaii has been higher than the national average every year since 2010; and

WHEREAS, in uncertain economic times, individuals may be more inclined to use alcohol as a coping mechanism in an attempt to temporarily deal with pain, anxiety, and depression; and

WHEREAS, allocating a portion of liquor fines collected per year to fund alcohol addiction treatment programs would help to provide social and economic benefits to Hawaii's residents; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allocate 15 percent of liquor fines collected per year be used to fund alcohol addiction treatment programs, is approved for inclusion in the 2021 Maui County Council Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Governor of the State of Hawaii, the President of the State Senate, the Speaker of the State House of Representatives, the County's delegation to the State Legislature, the Mayor of the County of Maui, and the Corporation Counsel.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO LIQUOR FINES COLLECTED PER YEAR.

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

1 SECTION 1. The Substance Abuse and Mental Health Services
2 Administration reports that the annual rate of alcohol abuse in
3 Hawaii has been higher than the national average every year since
4 2010.

5 Impaired driving while under the influence of alcohol
6 contributes to roughly 40 per cent of all fatal accidents in Hawaii
7 annually.

8 There have been various forms of legislation enacted over the
9 years that help to protect the public from drunk drivers. However,
10 more must be done to prevent alcohol-related deaths, including
11 preventing and treating alcohol addiction.

12 Allocating a portion of liquor fines collected per year to
13 fund alcohol addiction treatment programs is another tool to help
14 minimize and, ultimately, prevent impaired driving.

15 The purpose of this Act is to allocate an additional 15 per
16 cent of liquor fines collected per year to be used to fund alcohol
17 addiction treatment programs.

____.B. NO. _____

1 SECTION 2. Section 281-17, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The liquor commission, within its own county, shall
4 have the jurisdiction, power, authority, and discretion, subject
5 only to this chapter:

6 (1) To grant, refuse, suspend, and revoke any license for
7 the manufacture, importation, and sale of liquors;

8 (2) To take appropriate action against a person who,
9 directly or indirectly, manufactures, sells, or
10 purchases any liquor without being authorized pursuant
11 to this chapter; provided that in counties that have
12 established by charter a liquor control adjudication
13 board, the board shall have the jurisdiction, power,
14 authority, and discretion to hear and determine
15 administrative complaints of the director regarding
16 violations of the liquor laws of the State or of the
17 rules of the liquor commission, and impose penalties for
18 violations thereof as may be provided by law;

19 (3) To control, supervise, and regulate the manufacture,
20 importation, and sale of liquors by investigation,
21 enforcement, and education; provided that any
22 educational program shall be limited to the commission
23 staff, commissioners, liquor control adjudication board

____.B. NO. _____

1 members, and licensees and their employees, and shall be
2 financed through the money collected from the assessment
3 of fines against licensees; provided that fine moneys[7]
4 are not to exceed [~~ten~~] 25 per cent a year of fines
5 accumulated, of which 10 per cent may be used to fund
6 public liquor-related educational or enforcement
7 programs and 15 per cent may be used to fund alcohol
8 addiction treatment programs;

9 (4) From time to time to make, amend, and repeal rules, not
10 inconsistent with this chapter, as in the judgment of
11 the commission are deemed appropriate for carrying out
12 this chapter and for the efficient administration
13 thereof, and the proper conduct of the business of all
14 licensees, including every matter or thing required to
15 be done or [~~which~~] that may be done with the approval or
16 consent, by order, under the direction or supervision
17 of, or as prescribed by the commission; which rules,
18 when adopted as provided in chapter 91 shall have the
19 force and effect of law;

20 (5) Subject to chapter 76, to appoint and remove an
21 administrator, who may also be appointed an investigator
22 and who shall be responsible for the operations and
23 activities of the staff. The administrator may hire and

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1 remove hearing officers, investigators, and clerical or
2 other assistants as its business may from time to time
3 require, prescribe their duties and fix their
4 compensation, and engage the services of experts and
5 persons engaged in the practice of a profession, if
6 deemed expedient. Every investigator, within the scope
7 of the investigator's duties, shall have the powers of
8 a police officer.

9 (6) To limit the number of licenses of any class or kind
10 within the county, or the number of licenses of any class
11 or kind to do business in any given locality, when in
12 the judgment of the commission such limitations are in
13 the public interest;

14 (7) To prescribe the nature of the proof to be furnished,
15 the notices to be given, and the conditions to be met or
16 observed in the case of the issuance of a duplicate
17 license in place of one alleged to have been lost or
18 destroyed, including a requirement of any indemnity
19 deemed appropriate to the case;

20 (8) To fix the hours between which licensed premises of any
21 class or classes may regularly be open for the
22 transaction of business, which shall be uniform
23 throughout the county as to each class respectively;

____.B. NO. _____

1 (9) To prescribe all forms to be used for the purposes of
2 this chapter not otherwise provided for in this chapter,
3 and the character and manner of keeping of books,
4 records, and accounts to be kept by licensees in any
5 matter pertaining to their business;

6 (10) To investigate violations of this chapter, chapter 244D
7 and, notwithstanding any law to the contrary,
8 violations of the applicable department of health's
9 allowable noise levels, through its investigators or
10 otherwise, to include covert operations, and to report
11 violations to the prosecuting officer for prosecution
12 and, where appropriate, the director of taxation to hear
13 and determine complaints against any licensee;

14 (11) To prescribe, by rule, the terms, conditions, and
15 circumstances under which persons or any class of
16 persons may be employed by holders of licenses;

17 (12) To prescribe, by rule, the term of any license or
18 solicitor's and representative's permit authorized by
19 this chapter, the annual or prorated amount, the manner
20 of payment of fees for the licenses and permits, and the
21 amount of filing fees;

22 (13) To prescribe, by rule, regulations on dancing in
23 licensed premises; and

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1 (14) To prescribe, by rule, the circumstances and penalty for
2 the unauthorized manufacturing or selling of any
3 liquor."

4 SECTION 3. Statutory material to be repealed is bracketed
5 and in strikethrough. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.

7

8 INTRODUCED BY: _____

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10 paf:ske:20-178a

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021
MAUI COUNTY COUNCIL LEGISLATIVE
PACKAGE A STATE BILL TO CREATE A
SINGLE-PAYER HEALTHCARE SYSTEM
COVERING ALL HAWAII RESIDENTS

WHEREAS, the economic and fiscal health and survival of the County of Maui is tightly connected to the economic and fiscal health and survival of the State of Hawaii itself; and

WHEREAS, a *Reuters-Ipsos* survey published on August 23, 2018, showed 70 percent of Americans support a single-payer healthcare system, guaranteeing healthcare for all people living in the United States; and

WHEREAS, every person in the State of Hawaii, including every person in the County of Maui, deserves high-quality healthcare; and

WHEREAS, managed care and other market-based reforms have failed to contain healthcare costs; and

WHEREAS, the current COVID-19 pandemic has led to record levels of unemployment, loss of employer-sponsored health insurance, a severely strained healthcare system, widespread illness, and taken a profound toll on our community's mental health; and

WHEREAS, the United States spends roughly one-third of its \$3.5 trillion healthcare budget on non-medical expenses; and

WHEREAS, under a single-payer healthcare system, that figure could be reduced to approximately 6 to 8 percent; and

WHEREAS, according to a University of Michigan study published in the November 2010 issue of the *American Journal of Public Health*, online September 16, 2010, "Native Hawaiians are far more likely than whites to suffer early death;" and

WHEREAS, under Chapter 322H, Hawaii Revised Statutes, the Hawaii Health Authority is charged with developing "a comprehensive

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health plan” for “all residents,” which could include legislation for a single-payer healthcare system, but the State has not been supporting the Authority; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit “A,” to create a single-payer healthcare system covering all Hawaii residents, is approved for inclusion in the 2021 Maui County Council Legislative Package;
2. That the Council Chair is also authorized to testify on the Council’s behalf in support of similar legislation authored by the Hawaii Health Authority, if any; and
3. That certified copies of this Resolution be transmitted to Governor of the State of Hawaii, the President of the State Senate, the Speaker of the State House of Representatives, the County’s delegation to the State Legislature, and the Mayor of the County of Maui.

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____.B. NO. _____

A BILL FOR AN ACT

RELATING TO HEALTHCARE.

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

1 SECTION 1. The legislature finds that it is in the best
2 interest of the State of Hawaii for each and every state resident
3 to have publicly provided high quality and affordable health care
4 insurance coverage. Health care involves more than medical
5 insurance payouts. It includes cost-saving preventive and early
6 intervention measures to prohibit medical conditions from becoming
7 chronic, permanently disabling, or fatal.

8 Hawaii's current complex health care insurance system is
9 disjointed, costly, inefficient, and unnecessarily complicated.
10 The multi-payer private medical insurance model is mostly
11 profit-driven, adversarial, onerously bureaucratic, economically
12 irrational, and beset with constant cost-shifting and reluctant
13 health care delivery. Additionally, health care rates are
14 skyrocketing, creating an affordability and accessibility crisis
15 for Hawaii's residents.

16 Today, one of the biggest cost-drivers of health care in
17 the United States and Hawaii is associated with a profit-driven,
18 complex system of payment-reluctant multi-payer health insurance

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1 bureaucracies competing to insure only the healthy and the
2 wealthy, while leaving those who need health care the most to
3 the taxpayers. Another major cost-driver of healthcare is
4 attributable to the high cost of prescription drugs.

5 For more than a quarter of a century, Hawaii was far ahead
6 of most other states and often called itself "the health state"
7 because of the 1974 Prepaid Health Care Act. Hawaii was once
8 known for having a low uninsured population of between two and
9 five per cent in 1994. However, the health care crisis on the
10 United States continent began to spread to Hawaii.

11 Today, thousands of Hawaii residents lack health care
12 coverage, many of whom are children. Many Hawaii residents are
13 underinsured, unable to use their health insurance properly, or
14 unable to use their health insurance at all, due to increasingly
15 expensive deductibles and out-of-pocket co-payments for
16 healthcare costs such as outpatient visits, diagnostic tests,
17 and prescription drugs.

18 Even well-insured individuals experience problems with
19 health care organizations and insurance companies denying, or
20 very reluctantly dispensing, expensive medicines and
21 treatments. About half of all bankruptcies are due to extremely

1 expensive catastrophic illnesses that are not covered after a
2 certain cap is reached. Other persons are near bankruptcy and
3 their quality of life is seriously impacted.

4 The legislature further finds that a universal, publicly
5 administered, health care-for-all insurance model with one
6 payout agency for caregivers and providers, adapted to meet the
7 unique conditions in Hawaii, would be beneficial for the
8 following reasons:

9 (1) For union members and their employers, it means taking
10 health care off of the negotiating table;

11 (2) For patients, as taxpayers and insurance premium
12 payers, it means significant reductions in overall
13 costs, increases in benefits, and the slowing of annual
14 inflation cost increases. It also means a shift away
15 from increasingly uncaring profit-driven health care,
16 and a return to human-need driven, mutually respectful,
17 caring patient-doctor-nurse-and other caregiver
18 relationships, which in earlier times were fundamental
19 to meaningful health care;

20 (3) For businesses, large and small, it reduces significant
21 overhead expenses;

- 1 (4) For the local economy, it means keeping almost all
2 health care dollars in the State;
- 3 (5) For government, it means having one integrated
4 electronic health information database for
5 unprecedented planning and cost-containment
6 capabilities. It also means relief from the emerging
7 problem of unfunded liabilities associated with long-
8 term funding of government retiree lifetime health care
9 benefits;
- 10 (6) For physicians, nurses, and other caregivers, it means
11 less paperwork, less work stress, and more time with
12 patients;
- 13 (7) For hospitals, community health clinics, homecare
14 providers, and long-term care facilities, it means
15 sufficient and dependable annual financing through
16 global budgets; and
- 17 (8) For the public, it means accessible and affordable
18 health care for every person and relief from the
19 increasing and constant worries concerning health care
20 coverage instability.

1 The purpose of this Act is to create a unified, single-
2 payer, universal health care system covering all Hawaii
3 residents.

4 SECTION 2. The Hawaii Revised Statutes, is amended by adding
5 a new chapter to be appropriately designated and to read as
6 follows:

7 **"CHAPTER**

8 **SINGLE-PAYER UNIVERSAL HEALTH CARE SYSTEM**

9 § -1 **Single-payer universal health care insurance**
10 **system; established.** There is established the single-payer
11 universal health care insurance system to provide the same high-
12 quality level of medically necessary health care to all Hawaii
13 residents.

14 § -2 **State health care insurance planning and financing**
15 **authority.** (a) There is established within the department of
16 health, for administrative support purposes, the state health
17 care insurance planning and financing authority to determine the
18 costs of the system and to gather together the needed financing
19 methods and transition mechanisms.

20 (b) Effective July 1, 2021, the functions of the Hawaii
21 health authority shall be transferred to the state health care

____.B. NO. ____

1 insurance planning and financing authority, as well as the
2 Prepaid Health Care Act functions and the Hawaii employer union
3 health benefits trust fund, and these functions shall be
4 maintained until the full integration of each into the system
5 can be completed by the state health care insurance planning and
6 financing authority.

7 (c) The state health care insurance planning and financing
8 authority shall be composed of nine members appointed by the
9 governor as provided in section 26-34; provided that three
10 members shall be appointed from a list of nominees submitted by
11 the speaker of the house of representatives and three members
12 shall be appointed from a list of nominees submitted by the
13 president of the senate. Each member shall be appointed for a
14 term of four years. One member shall be selected to be the
15 executive director and confirmed by a majority vote of a quorum
16 of the members of the state health care insurance planning and
17 financing authority.

18 (d) Five members shall constitute a quorum, whose
19 affirmative vote shall be necessary for all valid actions by the
20 state health care insurance planning and financing authority.

_____.B. NO. _____

1 (e) The state health care insurance planning and financing
2 authority shall:

3 (1) Begin and maintain a trust fund comprised of a pay-as-
4 we-go transfer payments system and a reserve fund;

5 (2) Negotiate and receive all federal, state, and other
6 appropriate health care revenue;

7 (3) Assess temporary surcharges on income and general
8 excise taxes for start-up and emergency costs as necessary, for
9 instance, during epidemic or other medical catastrophe;

10 (4) Be the single payer of universal health care financing
11 for Hawaii;

12 (5) Hire a chief executive officer who shall be
13 accountable for the development and success of the single-payer
14 universal health care system and other staff as necessary; and

15 (6) Conduct a continuous and ongoing program of
16 enrollment.

17 (f) The concurrence of a majority of all directors shall
18 be necessary to make any action of the authority valid.

19 (g) The salary of the executive director shall be
20 \$ per year and the salaries of the other members shall
21 be \$ per year."

1 SECTION 3. All rights, powers, functions, and duties of
2 the Hawaii health authority agency and the Prepaid Health Care
3 Act functions of the Hawaii employer-union health benefits trust
4 fund are transferred to the state health care insurance planning
5 and financing authority.

6 All officers and employees whose functions are transferred
7 by this Act shall be transferred with their functions and shall
8 continue to perform their regular duties upon their transfer,
9 subject to the state personnel laws and this Act.

10 No officer or employee of the State having tenure shall
11 suffer any loss of salary, seniority, prior service credit,
12 vacation, sick leave, or other employee benefit or privilege as
13 a consequence of this Act, and such officer or employee may be
14 transferred or appointed to a civil service position without the
15 necessity of examination; provided that the officer or employee
16 possesses the minimum qualifications for the position to which
17 the person is transferred or appointed; and provided that
18 subsequent changes in status may be made pursuant to applicable
19 civil service and compensation laws.

20 An officer or employee of the State who does not have
21 tenure and who may be transferred or appointed to a civil

____.B. NO. _____

1 service position as a consequence of this Act shall become a
2 civil service employee without the loss of salary, seniority,
3 prior service credit, vacation, sick leave, or other employee
4 benefits or privileges and without the necessity of examination;
5 provided that such officer or employee possesses the minimum
6 qualifications for the position to which the person is
7 transferred or appointed.

8 If an office or position held by an officer or employee
9 having tenure is abolished, the officer or employee shall not
10 thereby be separated from public employment, but shall remain in
11 the employment of the State with the same pay and classification
12 and shall be transferred to some other office or position for
13 which the officer or employee is eligible under the personnel
14 laws of the State as determined by the head of the department or
15 the governor.

16 SECTION 4. All appropriations, records, equipment,
17 machines, files, supplies, contracts, books, papers, documents,
18 maps, and other personal property heretofore made, used,
19 acquired, or held by the department of labor and industrial
20 relations regarding the Prepaid Health Care Act, the Hawaii
21 health authority, and the Hawaii employer-union health benefits

1 trust fund relating to the functions transferred to the
2 department of health shall be transferred with the functions to
3 which they relate.

4 SECTION 5. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so much
6 thereof as may be necessary for fiscal year 2020-2021 and the
7 same sum or so much thereof as may be necessary for fiscal year
8 2021-2022 for establishment of the state health care insurance
9 planning and financing authority to operate a single-payer
10 universal health care insurance system.

11 The sums appropriated shall be expended by the department
12 of health for the purposes of this Act.

13 SECTION 6. If any provision of this Act, or the
14 application thereof to any person or circumstance, is held
15 invalid, the invalidity does not affect other provisions or
16 applications of the Act that can be given effect without the
17 invalid provision or application, and to this end the provisions
18 of this Act are severable.

19 SECTION 7. This Act shall take effect on July 1, 2021.

20

21 INTRODUCED BY: _____

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 MAUI
COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE
BILL TO GIVE COUNTIES AUTHORITY TO
ESTABLISH RENTAL-CAR LIMITS

WHEREAS, by Resolution 19-98, the Council affirmed Maui County's commitment to the Paris Climate Agreement and its goals of mitigating greenhouse-gas emissions and adapting to impacts of climate change; and

WHEREAS, reducing rental cars on the road would contribute to meeting these goals by reducing dependency on petroleum and greenhouse gas emissions generated from for ground-transportation vehicles; and

WHEREAS, the United States Environmental Protection Agency states that a typical passenger vehicle emits about 4.6 metric tons of carbon dioxide per year; and

WHEREAS, over 20,000 rental cars on Maui adversely impact the County's ability to mitigate greenhouse-gas emissions; and

WHEREAS, the United States Department of Transportation states that reducing traffic can improve the environment by reducing vehicle miles traveled, which reduces fuel consumed and emissions generated by acceleration and decelerations; and

WHEREAS, counties do not have the ability to limit rental cars under State law; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allow counties to establish rental-car limits, is approved for inclusion in the 2021 Maui County Council Legislative Package; and

Resolution No. _____

2. That certified copies of this Resolution be transmitted to the Governor of the State of Hawaii, the President of the State Senate, the Speaker of the State House of Representatives, the County's delegation to the State Legislature, and the Mayor of the County of Maui.

get:misc:004(2)areso(rental-car limits)02:ske

____.B. NO.____

A BILL FOR AN ACT

RELATING TO RENTAL MOTOR VEHICLES.

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

1 SECTION 1. Hawai'i is committed to mitigating emissions and
2 creating a clean energy pathway by investing in renewable energy
3 and energy efficiency. Utilities and transportation currently
4 account for the majority of emissions in Hawai'i.

5 Reducing cars on the road will contribute to meeting Hawai'i's
6 clean energy goals by reducing dependency on petroleum and
7 greenhouse gas emissions generated from for ground transportation
8 vehicles. However, over 20,000 rental motor vehicles on Maui
9 adversely impact Hawai'i's intent to mitigate greenhouse gas
10 emissions.

11 SECTION 2. Section 46-1.5, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "Subject to general law, each county shall have the following
14 powers and shall be subject to the following liabilities and
15 limitations:

16 (1) Each county shall have the power to frame and adopt a
17 charter for its own self-government that shall establish the county
18 executive, administrative, and legislative structure and

____.B. NO. _____

1 organization, including but not limited to the method of
2 appointment or election of officials, their duties,
3 responsibilities, and compensation, and the terms of their office;

4 (2) Each county shall have the power to provide for and
5 regulate the marking and lighting of all buildings and other
6 structures that may be obstructions or hazards to aerial
7 navigation, so far as may be necessary or proper for the protection
8 and safeguarding of life, health, and property;

9 (3) Each county shall have the power to enforce all claims on
10 behalf of the county and approve all lawful claims against the
11 county, but shall be prohibited from entering into, granting, or
12 making in any manner any contract, authorization, allowance
13 payment, or liability contrary to the provisions of any county
14 charter or general law;

15 (4) Each county shall have the power to make contracts and to
16 do all things necessary and proper to carry into execution all
17 powers vested in the county or any county officer;

18 (5) Each county shall have the power to:

19 (A) Maintain channels, whether natural or artificial,
20 including their exits to the ocean, in suitable condition to carry
21 off storm waters;

22 (B) Remove from the channels, and from the shores and beaches,
23 any debris that is likely to create an unsanitary condition or

____.B. NO. _____

1 become a public nuisance; provided that, to the extent any of the
2 foregoing work is a private responsibility, the responsibility may
3 be enforced by the county in lieu of the work being done at public
4 expense;

5 (C) Construct, acquire by gift, purchase, or by the exercise
6 of eminent domain, reconstruct, improve, better, extend, and
7 maintain projects or undertakings for the control of and protection
8 against floods and flood waters, including the power to drain and
9 rehabilitate lands already flooded;

10 (D) Enact zoning ordinances providing that lands deemed
11 subject to seasonable, periodic, or occasional flooding shall not
12 be used for residence or other purposes in a manner as to endanger
13 the health or safety of the occupants thereof, as required by the
14 Federal Flood Insurance Act of 1956 (chapter 1025, Public Law
15 1016); and

16 (E) Establish and charge user fees to create and maintain any
17 stormwater management system or infrastructure;

18 (6) Each county shall have the power to exercise the power of
19 condemnation by eminent domain when it is in the public interest
20 to do so;

21 (7) Each county shall have the power to exercise regulatory
22 powers over business activity as are assigned to them by chapter
23 445 or other general law;

____.B. NO. _____

1 (8) Each county shall have the power to fix the fees and
2 charges for all official services not otherwise provided for;

3 (9) Each county shall have the power to provide by ordinance
4 assessments for the improvement or maintenance of districts within
5 the county;

6 (10) Except as otherwise provided, no county shall have the
7 power to give or loan credit to, or in aid of, any person or
8 corporation, directly or indirectly, except for a public purpose;

9 (11) Where not within the jurisdiction of the public utilities
10 commission, each county shall have the power to regulate by
11 ordinance the operation of motor vehicle common carriers
12 transporting passengers and the number of rental motor vehicles
13 within the county and adopt and amend rules the county deems
14 necessary for the public convenience and necessity;

15 (12) Each county shall have the power to enact and enforce
16 ordinances necessary to prevent or summarily remove public
17 nuisances and to compel the clearing or removal of any public
18 nuisance, refuse, and uncultivated undergrowth from streets,
19 sidewalks, public places, and unoccupied lots. In connection with
20 these powers, each county may impose and enforce liens upon the
21 property for the cost to the county of removing and completing the
22 necessary work where the property owners fail, after reasonable
23 notice, to comply with the ordinances. The authority provided by

____.B. NO. _____

1 this paragraph shall not be self-executing, but shall become fully
2 effective within a county only upon the enactment or adoption by
3 the county of appropriate and particular laws, ordinances, or rules
4 defining "public nuisances" with respect to each county's
5 respective circumstances. The counties shall provide the property
6 owner with the opportunity to contest the summary action and to
7 recover the owner's property;

8 (13) Each county shall have the power to enact ordinances
9 deemed necessary to protect health, life, and property, and to
10 preserve the order and security of the county and its inhabitants
11 on any subject or matter not inconsistent with, or tending to
12 defeat, the intent of any state statute where the statute does not
13 disclose an express or implied intent that the statute shall be
14 exclusive or uniform throughout the State;

15 (14) Each county shall have the power to:

16 (A) Make and enforce within the limits of the county all
17 necessary ordinances covering all:

18 (i) Local police matters;

19 (ii) Matters of sanitation;

20 (iii) Matters of inspection of buildings;

21 (iv) Matters of condemnation of unsafe structures, plumbing,
22 sewers, dairies, milk, fish, and morgues; and

____.B. NO. _____

1 (v) Matters of the collection and disposition of rubbish and
2 garbage;

3 (B) Provide exemptions for homeless facilities and any other
4 program for the homeless authorized by part XVII of chapter 346,
5 for all matters under this paragraph;

6 (C) Appoint county physicians and sanitary and other
7 inspectors as necessary to carry into effect ordinances made under
8 this paragraph, who shall have the same power as given by law to
9 agents of the department of health, subject only to limitations
10 placed on them by the terms and conditions of their appointments;
11 and

12 (D) Fix a penalty for the violation of any ordinance, which
13 penalty may be a misdemeanor, petty misdemeanor, or violation as
14 defined by general law;

15 (15) Each county shall have the power to provide public
16 pounds; to regulate the impounding of stray animals and fowl, and
17 their disposition; and to provide for the appointment, powers,
18 duties, and fees of animal control officers;

19 (16) Each county shall have the power to purchase and
20 otherwise acquire, lease, and hold real and personal property
21 within the defined boundaries of the county and to dispose of the
22 real and personal property as the interests of the inhabitants of
23 the county may require, except that:

____.B. NO. _____

1 (A) Any property held for school purposes may not be disposed
2 of without the consent of the superintendent of education;

3 (B) No property bordering the ocean shall be sold or otherwise
4 disposed of; and

5 (C) All proceeds from the sale of park lands shall be expended
6 only for the acquisition of property for park or recreational
7 purposes;

8 (17) Each county shall have the power to provide by charter
9 for the prosecution of all offenses and to prosecute for offenses
10 against the laws of the State under the authority of the attorney
11 general of the State;

12 (18) Each county shall have the power to make appropriations
13 in amounts deemed appropriate from any moneys in the treasury, for
14 the purpose of:

15 (A) Community promotion and public celebrations;

16 (B) The entertainment of distinguished persons as may from
17 time to time visit the county;

18 (C) The entertainment of other distinguished persons, as well
19 as, public officials when deemed to be in the best interest of the
20 community; and

21 (D) The rendering of civic tribute to individuals who, by
22 virtue of their accomplishments and community service, merit civic
23 commendations, recognition, or remembrance;

____.B. NO. _____

1 (19) Each county shall have the power to:

2 (A) Construct, purchase, take on lease, lease, sublease, or
3 in any other manner acquire, manage, maintain, or dispose of
4 buildings for county purposes, sewers, sewer systems, pumping
5 stations, waterworks, including reservoirs, wells, pipelines, and
6 other conduits for distributing water to the public, lighting
7 plants, and apparatus and appliances for lighting streets and
8 public buildings, and manage, regulate, and control the same;

9 (B) Regulate and control the location and quality of all
10 appliances necessary to the furnishing of water, heat, light,
11 power, telephone, and telecommunications service to the county;

12 (C) Acquire, regulate, and control any and all appliances for
13 the sprinkling and cleaning of the streets and the public ways,
14 and for flushing the sewers; and

15 (D) Open, close, construct, or maintain county highways or
16 charge toll on county highways; provided that all revenues received
17 from a toll charge shall be used for the construction or
18 maintenance of county highways;

19 (20) Each county shall have the power to regulate the renting,
20 subletting, and rental conditions of property for places of abode
21 by ordinance;

____.B. NO. _____

1 (21) Unless otherwise provided by law, each county shall have
2 the power to establish by ordinance the order of succession of
3 county officials in the event of a military or civil disaster;

4 (22) Each county shall have the power to sue and be sued in
5 its corporate name;

6 (23) Each county shall have the power to:

7 (A) Establish and maintain waterworks and sewer works;

8 (B) Implement a sewer monitoring program that includes the
9 inspection of sewer laterals that connect to county sewers, when
10 those laterals are located on public or private property, after
11 providing a property owner not less than ten calendar days' written
12 notice, to detect leaks from laterals, infiltration, and inflow,
13 any other law to the contrary notwithstanding;

14 (C) Compel an owner of private property upon which is located
15 any sewer lateral that connects to a county sewer to inspect that
16 lateral for leaks, infiltration, and inflow and to perform repairs
17 as necessary;

18 (D) Collect rates for water supplied to consumers and for the
19 use of sewers;

20 (E) Install water meters whenever deemed expedient; provided
21 that owners of premises having vested water rights under existing
22 laws appurtenant to the premises shall not be charged for the
23 installation or use of the water meters on the premises; and

____.B. NO. _____

1 (F) Take over from the State existing waterworks systems,
2 including water rights, pipelines, and other appurtenances
3 belonging thereto, and sewer systems, and to enlarge, develop, and
4 improve the same; and

5 (G) For purposes of subparagraphs (B) and (C):

6 (i) "Infiltration" means groundwater, rainwater, and
7 saltwater that enters the county sewer system through cracked,
8 broken, or defective sewer laterals; and

9 (ii) "Inflow" means non-sewage entering the county sewer
10 system via inappropriate or illegal connections;

11 (24) (A) Each county may impose civil fines, in addition to
12 criminal penalties, for any violation of county ordinances or rules
13 after reasonable notice and requests to correct or cease the
14 violation have been made upon the violator. Any administratively
15 imposed civil fine shall not be collected until after an
16 opportunity for a hearing under chapter 91. Any appeal shall be
17 filed within thirty days from the date of the final written
18 decision. These proceedings shall not be a prerequisite for any
19 civil fine or injunctive relief ordered by the circuit court;

20 (B) Each county by ordinance may provide for the addition of
21 any unpaid civil fines, ordered by any court of competent
22 jurisdiction, to any taxes, fees, or charges, with the exception
23 of fees or charges for water for residential use and sewer charges,

____.B. NO. _____

1 collected by the county. Each county by ordinance may also provide
2 for the addition of any unpaid administratively imposed civil
3 fines, which remain due after all judicial review rights under
4 section 91-14 are exhausted, to any taxes, fees, or charges, with
5 the exception of water for residential use and sewer charges,
6 collected by the county. The ordinance shall specify the
7 administrative procedures for the addition of the unpaid civil
8 fines to the eligible taxes, fees, or charges and may require
9 hearings or other proceedings. After addition of the unpaid civil
10 fines to the taxes, fees, or charges, the unpaid civil fines shall
11 not become a part of any taxes, fees, or charges. The county by
12 ordinance may condition the issuance or renewal of a license,
13 approval, or permit for which a fee or charge is assessed, except
14 for water for residential use and sewer charges, on payment of the
15 unpaid civil fines. Upon recordation of a notice of unpaid civil
16 fines in the bureau of conveyances, the amount of the civil fines,
17 including any increase in the amount of the fine which the county
18 may assess, shall constitute a lien upon all real property or
19 rights to real property belonging to any person liable for the
20 unpaid civil fines. The lien in favor of the county shall be
21 subordinate to any lien in favor of any person recorded or
22 registered prior to the recordation of the notice of unpaid civil
23 fines and senior to any lien recorded or registered after the

____.B. NO. _____

1 recordation of the notice. The lien shall continue until the unpaid
2 civil fines are paid in full or until a certificate of release or
3 partial release of the lien, prepared by the county at the owner's
4 expense, is recorded. The notice of unpaid civil fines shall state
5 the amount of the fine as of the date of the notice and maximum
6 permissible daily increase of the fine. The county shall not be
7 required to include a social security number, state general excise
8 taxpayer identification number, or federal employer identification
9 number on the notice. Recordation of the notice in the bureau of
10 conveyances shall be deemed, at such time, for all purposes and
11 without any further action, to procure a lien on land registered
12 in land court under chapter 501. After the unpaid civil fines are
13 added to the taxes, fees, or charges as specified by county
14 ordinance, the unpaid civil fines shall be deemed immediately due,
15 owing, and delinquent and may be collected in any lawful manner.
16 The procedure for collection of unpaid civil fines authorized in
17 this paragraph shall be in addition to any other procedures for
18 collection available to the State and county by law or rules of
19 the courts;

20 (C) Each county may impose civil fines upon any person who
21 places graffiti on any real or personal property owned, managed,
22 or maintained by the county. The fine may be up to \$1,000 or may
23 be equal to the actual cost of having the damaged property repaired

____.B. NO. _____

1 or replaced. The parent or guardian having custody of a minor who
2 places graffiti on any real or personal property owned, managed,
3 or maintained by the county shall be jointly and severally liable
4 with the minor for any civil fines imposed hereunder. Any such
5 fine may be administratively imposed after an opportunity for a
6 hearing under chapter 91, but such a proceeding shall not be a
7 prerequisite for any civil fine ordered by any court. As used in
8 this subparagraph, "graffiti" means any unauthorized drawing,
9 inscription, figure, or mark of any type intentionally created by
10 paint, ink, chalk, dye, or similar substances;

11 (D) At the completion of an appeal in which the county's
12 enforcement action is affirmed and upon correction of the violation
13 if requested by the violator, the case shall be reviewed by the
14 county agency that imposed the civil fines to determine the
15 appropriateness of the amount of the civil fines that accrued while
16 the appeal proceedings were pending. In its review of the amount
17 of the accrued fines, the county agency may consider:

18 (i) The nature and egregiousness of the violation;

19 (ii) The duration of the violation;

20 (iii) The number of recurring and other similar violations;

21 (iv) Any effort taken by the violator to correct the
22 violation;

____.B. NO. _____

1 (v) The degree of involvement in causing or continuing the
2 violation;

3 (vi) Reasons for any delay in the completion of the appeal;
4 and

5 (vii) Other extenuating circumstances.

6 The civil fine that is imposed by administrative order after
7 this review is completed and the violation is corrected shall be
8 subject to judicial review, notwithstanding any provisions for
9 administrative review in county charters;

10 (E) After completion of a review of the amount of accrued
11 civil fine by the county agency that imposed the fine, the amount
12 of the civil fine determined appropriate, including both the
13 initial civil fine and any accrued daily civil fine, shall
14 immediately become due and collectible following reasonable notice
15 to the violator. If no review of the accrued civil fine is
16 requested, the amount of the civil fine, not to exceed the total
17 accrual of civil fine prior to correcting the violation, shall
18 immediately become due and collectible following reasonable notice
19 to the violator, at the completion of all appeal proceedings; and

20 (F) If no county agency exists to conduct appeal proceedings
21 for a particular civil fine action taken by the county, then one
22 shall be established by ordinance before the county shall impose
23 the civil fine;

____.B. NO. _____

1 (25) Any law to the contrary notwithstanding, any county
2 mayor, by executive order, may exempt donors, provider agencies,
3 homeless facilities, and any other program for the homeless under
4 part XVII of chapter 346 from real property taxes, water and sewer
5 development fees, rates collected for water supplied to consumers
6 and for use of sewers, and any other county taxes, charges, or
7 fees; provided that any county may enact ordinances to regulate
8 and grant the exemptions granted by this paragraph;

9 (26) Any county may establish a captive insurance company
10 pursuant to article 19, chapter 431; and

11 (27) Each county shall have the power to enact and enforce
12 ordinances regulating towing operations.”

13 SECTION 3. Statutory material to be repealed is bracketed
14 and in strikethrough. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval.

16

17 INTRODUCED BY: _____

18

19 get:misc:004(2)amisc(rental-car limits)02:ske

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2021 MAUI
COUNTY COUNCIL LEGISLATIVE PACKAGE A STATE
BILL TO ALLOW MAUI COUNTY TO ESTABLISH A
GENERAL EXCISE TAX SURCHARGE

WHEREAS, Maui County was authorized to establish a General Excise Tax surcharge up until March 31, 2019; and

WHEREAS, extending the deadline would allow Maui County to establish the surcharge; and

WHEREAS, Maui County is the only county in the State that is not receiving the benefits of a General Excise Tax surcharge; and

WHEREAS, the surcharge would provide much-needed diversification in Maui County's ability to generate revenue, while limiting the burden on residents subject to the Real Property Tax; and

WHEREAS, the funds derived from the surcharge would allow for a greater investment in infrastructure, affordable housing, transportation, and other countywide priorities; and

WHEREAS, these funds will be even more necessary in light of the negative economic impacts of the COVID-19 pandemic; and

WHEREAS, enabling legislation has already been introduced to the Council and is pending before the Economic, Development and Budget Committee; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to allow Maui County to establish a General Excise Tax surcharge, is approved for inclusion in the 2021 Maui County Council Legislative Package; and

Resolution No. _____

2. That certified copies of this Resolution be transmitted to the Governor of the State of Hawaii, the President of the State Senate, the Speaker of the State House of Representatives, the County's delegation to the State Legislature, and the Mayor of the County of Maui.

paf:ans:19-314e

____.B. NO.____

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 46-16.8, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§46-16.8 County surcharge on state tax.**

4 (a) Each county may establish a surcharge on state tax at
5 the rates enumerated in sections 237-8.6 and 238-2.6. A county
6 electing to establish this surcharge shall do so by ordinance;
7 provided that:

8 (1) No ordinance shall be adopted until the county
9 has conducted a public hearing on the proposed ordinance;

10 (2) The ordinance shall be adopted prior to December
11 31, 2005; and

12 (3) No county surcharge on state tax that may be
13 authorized under this subsection shall be levied prior to
14 January 1, 2007, or after December 31, 2022, unless
15 extended pursuant to subsection (b).

16 Notice of the public hearing required under paragraph (1) shall
17 be published in a newspaper of general circulation within the
18 county at least twice within a period of thirty days immediately
19 preceding the date of the hearing.

20 A county electing to exercise the authority granted under
21 this subsection shall notify the director of taxation within ten
22 days after the county has adopted a surcharge on state tax
23 ordinance and, beginning no earlier than January 1, 2007, the
24 director of taxation shall levy, assess, collect, and otherwise
25 administer the county surcharge on state tax.

26 (b) Each county that has established a surcharge on state
27 tax prior to July 1, 2015, under authority of subsection (a) may
28 extend the surcharge until December 31, 2030, at the same rates.
29 A county electing to extend this surcharge shall do so by
30 ordinance; provided that:

31 (1) No ordinance shall be adopted until the county
32 has conducted a public hearing on the proposed ordinance;
33 and

____.B. NO. ____

(2) The ordinance shall be adopted prior to January 1, 2018.

A county electing to exercise the authority granted under this subsection shall notify the director of taxation within ten days after the county has adopted an ordinance extending the surcharge on state tax. The director of taxation shall levy, assess, collect, and otherwise administer the extended surcharge on state tax.

(c) Each county that has not established a surcharge on state tax prior to July 1, 2015, may establish the surcharge at the rates enumerated in sections 237-8.6 and 238-2.6. A county electing to establish this surcharge shall do so by ordinance; provided that:

(1) No ordinance shall be adopted until the county has conducted a public hearing on the proposed ordinance;

(2) The ordinance shall be adopted prior to ~~March 31, 2019~~ June 30, 2021; and

(3) No county surcharge on state tax that may be authorized under this subsection shall be levied prior to January 1, 2019, or after December 31, 2030.

A county electing to exercise the authority granted under this subsection shall notify the director of taxation within ten days after the county has adopted a surcharge on state tax ordinance. Beginning ~~on~~ no earlier than January 1, 2019, ~~on~~ January 1, 2020, as applicable pursuant to sections 237-8.6 and 238-2.6, the director of taxation shall levy, assess, collect, and otherwise administer the county surcharge on state tax.

(d) Notice of the public hearing required under subsection (b) or (c) before adoption of an ordinance establishing or extending the surcharge on state tax shall be published in a newspaper of general circulation within the county at least twice within a period of thirty days immediately preceding the date of the hearing.

(e) Each county with a population greater than five hundred thousand that adopts or extends a county surcharge on state tax ordinance pursuant to subsection (a) or (b) shall use the surcharge revenues received from the State for capital costs of a locally preferred alternative for a mass transit project; provided that revenues derived from the county surcharge on state tax shall not be used:

(1) To build or repair public roads or highways, bicycle paths, or support public transportation systems already in existence prior to July 12, 2005;

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(2) For operating costs or maintenance costs of the mass transit project or any purpose not consistent with this subsection; or

(3) For administrative or operating, marketing, or maintenance costs, including personnel costs, of a rapid transportation authority charged with the responsibility for constructing, operating, or maintaining the mass transit project; provided further that nothing in this section shall be construed to prohibit a county from using county funds that are not derived from a surcharge on state tax for a purpose described in paragraph (2) or (3).

(f) Each county with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax ordinance pursuant to this section shall use the surcharges received from the State for:

(1) Operating or capital costs of public transportation within each county for public transportation systems, including public roadways or highways, public buses, trains, ferries, pedestrian paths or sidewalks, or bicycle paths; and

(2) Expenses in complying with the Americans with Disabilities Act of 1990 with respect to paragraph (1).

(g) As used in this section, "capital costs" means nonrecurring costs required to construct a transit facility or system, including debt service, costs of land acquisition and development, acquiring of rights-of-way, planning, design, and construction, and including equipping and furnishing the facility or system. For a county with a population greater than five hundred thousand, capital costs also include non-recurring personal services and other overhead costs that are not intended to continue after completion of construction of the minimum operable segment of the locally preferred alternative for a mass transit project."

SECTION 2. Section 237-8.6, Hawaii Revised Statutes, is amended to read as follows:

"§237-8.6 County surcharge on state tax; administration.

(a) The county surcharge on state tax, upon the adoption of county ordinances and in accordance with the requirements of section 46-16.8, shall be levied, assessed, and collected as provided in this section on all gross proceeds and gross income taxable under this chapter. No county shall set the surcharge

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1 on state tax at a rate greater than one-half per cent of all
2 gross proceeds and gross income taxable under this chapter. All
3 provisions of this chapter shall apply to the county surcharge
4 on state tax. With respect to the surcharge, the director of
5 taxation shall have all the rights and powers provided under
6 this chapter. In addition, the director of taxation shall have
7 the exclusive rights and power to determine the county or
8 counties in which a person is engaged in business and, in the
9 case of a person engaged in business in more than one county,
10 the director shall determine, through apportionment or other
11 means, that portion of the surcharge on state tax attributable
12 to business conducted in each county.

13 (b) Each county surcharge on state tax that may be adopted
14 or extended pursuant to section 46-16.8 shall be levied
15 beginning in a taxable year after the adoption of the relevant
16 county ordinance; provided that no surcharge on state tax may be
17 levied:

18 (1) Prior to:

19 (A) January 1, 2007, if the county surcharge on
20 state tax was established by an ordinance adopted
21 prior to December 31, 2005;

22 (B) January 1, 2019, if the county surcharge on
23 state tax was established by the adoption of an
24 ordinance after June 30, 2015, but prior to June 30,
25 2018; or

26 (C) January 1, 2020, if the county surcharge on
27 state tax was established by the adoption of an
28 ordinance on or after June 30, 2018, but prior to
29 March 31, 2019; ~~and~~

30 (D) January 1, 2021, if the county surcharge on
31 state tax was established by the adoption of an
32 ordinance on or after March 31, 2019, but prior to
33 June 30, 2020;

34 (E) January 1, 2022, if the county surcharge on
35 state tax was established by the adoption of an
36 ordinance on or after June 30, 2020, but prior to June
37 30, 2021; and

38 (2) After December 31, 2030.

39 (c) The county surcharge on state tax, if adopted, shall be
40 imposed on the gross proceeds or gross income of all written
41 contracts that require the passing on of the taxes imposed under
42 this chapter; provided that if the gross proceeds or gross
43 income are received as payments beginning in the taxable year in
44 which the taxes become effective, on contracts entered into

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1 before June 30 of the year prior to the taxable year in which
2 the taxes become effective, and the written contracts do not
3 provide for the passing on of increased rates of taxes, the
4 county surcharge on state tax shall not be imposed on the gross
5 proceeds or gross income covered under the written
6 contracts. The county surcharge on state tax shall be imposed
7 on the gross proceeds or gross income from all contracts entered
8 into on or after June 30 of the year prior to the taxable year
9 in which the taxes become effective, regardless of whether the
10 contract allows for the passing on of any tax or any tax
11 increases.

12 (d) No county surcharge on state tax shall be established
13 on any:

14 (1) Gross income or gross proceeds taxable under this
15 chapter at the one-half per cent tax rate;

16 (2) Gross income or gross proceeds taxable under this
17 chapter at the 0.15 per cent tax rate; or

18 (3) Transactions, amounts, persons, gross income, or
19 gross proceeds exempt from tax under this chapter.

20 (e) The director of taxation shall revise the general
21 excise tax forms to provide for the clear and separate
22 designation of the imposition and payment of the county
23 surcharge on state tax.

24 (f) The taxpayer shall designate the taxation district to
25 which the county surcharge on state tax is assigned in
26 accordance with rules adopted by the director of taxation under
27 chapter 91. The taxpayer shall file a schedule with the
28 taxpayer's periodic and annual general excise tax returns
29 summarizing the amount of taxes assigned to each taxation
30 district.

31 (g) The penalties provided by section 231-39 for failure to
32 file a tax return shall be imposed on the amount of surcharge
33 due on the return being filed for the failure to file the
34 schedule required to accompany the return. In addition, there
35 shall be added to the tax an amount equal to ten per cent of the
36 amount of the surcharge and tax due on the return being filed
37 for the failure to file the schedule or the failure to correctly
38 report the assignment of the general excise tax by taxation
39 district on the schedule required under this subsection.

40 (h) All taxpayers who file on a fiscal year basis whose
41 fiscal year ends after December 31 of the year prior to the
42 taxable year in which the taxes become effective, shall file a
43 short period annual return for the period preceding January 1 of
44 the taxable year in which the taxes become effective. Each

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1 fiscal year taxpayer shall also file a short period annual
2 return for the period starting on January 1 of the taxable year
3 in which the taxes become effective, and ending before January 1
4 of the following year."

5
6 SECTION 3. Section 238-2.6, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"§238-2.6 County surcharge on state tax; administration.**

9 (a) The county surcharge on state tax, upon the adoption
10 of a county ordinance and in accordance with the requirements of
11 section 46-16.8, shall be levied, assessed, and collected as
12 surcharge on state tax at a rate greater than one-half per cent
13 of the value of property taxable under this chapter. All
14 provisions of this chapter shall apply to the county surcharge
15 on state tax. With respect to the surcharge, the director shall
16 have all the rights and powers provided under this chapter. In
17 addition, the director of taxation shall have the exclusive
18 rights and power to determine the county or counties in which a
19 person imports or purchases property and, in the case of a
20 person importing or purchasing property in more than one county,
21 the director shall determine, through apportionment or other
22 means, that portion of the surcharge on state tax attributable
23 to the importation or purchase in each county.

24 (b) Each county surcharge on state tax that may be adopted
25 or extended shall be levied beginning in a taxable year after
26 the adoption of the relevant county ordinance; provided that no
27 surcharge on state tax may be levied:

28 (1) Prior to:

29 (A) January 1, 2007, if the county surcharge on
30 state tax was established by an ordinance adopted
31 prior to December 31, 2005;

32 (B) January 1, 2019, if the county surcharge on
33 state tax was established by the adoption of an
34 ordinance after June 30, 2015, but prior to June 30,
35 2018; or

36 (C) January 1, 2020, if the county surcharge on
37 state tax was established by the adoption of an
38 ordinance on or after June 30, 2018, but prior to
39 March 31, 2019; ~~and~~

40 (D) January 1, 2021, if the county surcharge on
41 state tax was established by the adoption of an

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1 ordinance on or after March 31, 2019, but prior to
2 June 30, 2020;

3 (E) January 1, 2022, if the county surcharge on
4 state tax was established by the adoption of an
5 ordinance on or after June 30, 2020, but prior to June
6 30, 2021; and

7 (2) After December 31, 2030.

8 (c) No county surcharge on state tax shall be established
9 upon any use taxable under this chapter at the one-half per cent
10 tax rate or upon any use that is not subject to taxation or that
11 is exempt from taxation under this chapter.

12 (d) The director of taxation shall revise the use tax
13 forms to provide for the clear and separate designation of the
14 imposition and payment of the county surcharge on state tax.

15 (e) The taxpayer shall designate the taxation district to
16 which the county surcharge on state tax is assigned in
17 accordance with rules adopted by the director of taxation under
18 chapter 91. The taxpayer shall file a schedule with the
19 taxpayer's periodic and annual use tax returns summarizing the
20 amount of taxes assigned to each taxation district.

21 (f) The penalties provided by section 231-39 for failure
22 to file a tax return shall be imposed on the amount of surcharge
23 due on the return being filed for the failure to file the
24 schedule required to accompany the return. In addition, there
25 shall be added to the tax an amount equal to ten per cent of the
26 amount of the surcharge and tax due on the return being filed
27 for the failure to file the schedule or the failure to correctly
28 report the assignment of the use tax by taxation district on the
29 schedule required under this subsection.

30 (g) All taxpayers who file on a fiscal year basis whose
31 fiscal year ends after December 31 of the year prior to the
32 taxable year in which the taxes become effective, shall file a
33 short period annual return for the period preceding January 1 of
34 the taxable year in which the taxes become effective. Each
35 fiscal year taxpayer shall also file a short period annual
36 return for the period starting on January 1 of the taxable year
37 in which the taxes become effective, and ending before January 1
38 of the following year.

39
40 SECTION 4. Statutory material to be deleted is bracketed
41 and in strikethrough. New statutory material is underscored.

42 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY: _____

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