Hawaii Counties

State Summary of Transportation Funding and Finance

## **Transportation and Financial Authority:**

• Counties have authority to levy real property taxes. Counties do not have authority to levy personal property taxes.

• Counties no longer have the authority to impose their own sales or use taxes directly. Instead, a county may be eligible to impose a surcharge of up to 0.5 percent on proceeds from state general excise taxes, state use taxes, or both. A county may only impose such surcharges after holding a public hearing about them, and all proceeds must be dedicated to the improvement of public transportation.

• With the exception of Hawaii County, each county may tax the sale of motor fuel at a rate specified in state law. It must deposit its revenues into a county highway fund.

• A county may levy an annual tax on owners of motor vehicles at rates corresponding to the weight of their vehicles. The county must deposit revenues from the tax into a county highway fund. Additionally, a county may charge a fee for the registration of bicycles and mopeds, the proceeds of which must go into a bikeway fund for the promotion of bicycling transportation and the building and maintenance of bikeways.

Mandated/Authorized Transportation Services:

• The local county government has the power to maintain county highways, including construction, operation, and maintenance of said highways.

• Counties may generate some of the funds for this development by charging tolls on said highways to raise money to maintain and construct the county transportation infrastructure.

• Private roads which are often used by the public or private roads the county intends to dedicate to public use are also open to regulation and maintenance by the county government.

• Counties may additionally regulate public transportation, including the rates of public passenger vehicle service, the establishments of stands operated by a public passenger vehicle service, and entry of new corporations into the public passenger service.

## **Funding Sources for County Transportation Projects:**

## **Challenges in Funding and Financing Transportation Projects:**

## **Innovative Solutions to Funding and Financing Challenges:**