

STAND. COM. REP. NO.

1255

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 1204
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1204, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose of this measure is to require an additional distribution of the transient accommodations tax revenues to the tourism special fund.

Specifically, this measure:

- (1) For fiscal years 2009-2010 and 2010-2011 only and after distributions under current law, requires an unspecified portion of the remaining transient accommodations tax revenues to be deposited into the tourism special fund with any residue to be deposited into the general fund; and
- (2) Beginning in fiscal year 2011-2012 and each fiscal year thereafter requires all remaining revenues to be deposited into the general fund.

Your Committee received five written comments on this measure. Written comments may be reviewed on the Legislature's website.



Your Committee finds that increasing tourism marketing and outreach is a part of the State's five-point economic sustainability plan. Your Committee feels that tourism marketing is an important investment and a proven method of reviving a stagnant economy.

Your Committee also finds that additional revenues will enable the Hawaii Tourism Authority to invest in programs under the marketing, access, research, and planning initiatives that will help to stimulate travel to the State, thus supporting the State's economy, sustaining jobs, and increasing tax revenues.

Your Committee has amended this measure by changing the effective date to July 1, 2150, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1204, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1204, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONNA MERCADO KIM, Chair



