

STAND. COM. REP. NO. 337

Honolulu, Hawaii  
Feb 18, 2009

RE: H.B. No. 681  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Tourism, Culture, & International Affairs,  
to which was referred H.B. No. 681 entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS  
TAX,"

begs leave to report as follows:

The purpose of this bill is to earmark an unspecified  
percentage of the allocation from the Transient Accommodations Tax  
(TAT) to the Tourism Special Fund (Special Fund) to be used for  
tourism product development.

The County of Hawaii Department of Research and Development,  
Airports Concessionaires Committee, HMSHost, International  
Currency Exchange, Kinki Nippon Tourist Company, Native Hawaiian  
Hospitality Association, Nishihama & Kishida, CPAs, Inc.,  
Ilioulaokalani Coalition, Nature Conservancy, Council for Native  
Hawaiian Advancement, Association of Hawaiian Civic Clubs, West  
Kauai Business and Professional Association, Smarte Carte,  
Pookela, Poipu Beach Resort Association, Moanalua Gardens  
Foundation, Hawaii Maoli, Blind Vendors Ohana, Inc., King  
Kamehameha Celebration Commission, and many concerned individuals  
testified in support of this bill. A concerned individual  
supported this measure with amendments.

The Department of Business, Economic Development, and Tourism  
and Hawaii Hotel and Lodging Association opposed this bill. The  
Hawaii Tourism Authority, Visitor Aloha Society of Hawaii, Garden

HB681 HD1 HSCR TCI HMS 2009-1931



Island Arts Council, Outrigger Hotels, Tax Foundation of Hawaii, Kona Coffee Cultural Festival, Holualoa Foundation for Arts and Culture, Hawaii Capital Cultural Coalition, Academy of Hospitality and Tourism, and several concerned individuals offered comments.

Your Committee has amended this bill by:

- (1) Specifying that 40 percent of the TAT allocation to the Special Fund be used for tourism product development and cultural programs;
- (2) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism, Culture, & International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 681, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 681, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Tourism, Culture,  
& International Affairs,

  
JOEY MANAHAN, Chair



State of Hawaii  
House of Representatives  
The Twenty-fifth Legislature

HSCR 337

Record of Votes of the Committee on Tourism, Culture, & International Affairs

Bill/Resolution No.: <b>HB 681</b>	Committee Referral: <b>TCI, FIN</b>	Date: <b>2/9/09</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TCI Members	Ayes	Ayes (WR)	Nays	Excused
1. MANAHAN, Joey (C)	✓			
2. TOKIOKA, James Kunane (VC)	✓			
3. BERG, Lyla B.		✓		
4. CHOY, Isaac W.	✓			
5. EVANS, Cindy				✓
6. McKELVEY, Angus L.K.				✓
7. <del>TAKAI, K. Mark</del>				
8. TSUJI, Clift	✓			
9. WAKAI, Glenn		✓		
10. WOOLEY, Jessica				✓
11. MARUMOTO, Barbara C.		✓		
<b>TOTAL (11)</b>	<b>4</b>	<b>3</b>		<b>3</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>(committee member's)</small>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				