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## A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) Revenues collected under this chapter shall be  
4 distributed as follows, with the excess revenues to be deposited  
5 into the general fund:

6 (1) 17.3 per cent of the revenues collected under this  
7 chapter shall be deposited into the convention center  
8 enterprise special fund established under section  
9 201B-8; provided that beginning January 1, 2002, if  
10 the amount of the revenue collected under this  
11 paragraph exceeds \$33,000,000 in any calendar year,  
12 revenues collected in excess of \$33,000,000 shall be  
13 deposited into the general fund;

14 (2) 34.2 per cent of the revenues collected under this  
15 chapter shall be deposited into the tourism special  
16 fund established under section 201B-11 for tourism  
17 promotion and visitor industry research; provided that  
18 [~~beginning~~]:



- 1           (A) Not less than forty per cent shall be used for  
2           tourism product development and cultural  
3           programs;
- 4           (B) Beginning on July 1, 2002, of the first  
5           \$1,000,000 in revenues deposited:
- 6           ~~[(A)]~~ (i) Ninety per cent shall be deposited into the  
7                           state parks special fund established in  
8                           section 184-3.4; and
- 9           ~~[(B)]~~ (ii) Ten per cent shall be deposited into the  
10                           special land and development fund  
11                           established in section 171-19 for the Hawaii  
12                           statewide trail and access program;
- 13                           ~~[provided that of the 34.2 per cent,]~~
- 14           (C) 0.5 per cent shall be transferred to a sub-  
15           account in the tourism special fund to provide  
16           funding for a safety and security budget, in  
17           accordance with the Hawaii tourism strategic plan  
18           2005-2015; ~~[provided further that of]~~ and
- 19           (D) Of the revenues remaining in the tourism special  
20           fund after revenues have been deposited as  
21           provided in this paragraph and except for any sum  
22           authorized by the legislature for expenditure



1 from revenues subject to this paragraph,  
2 beginning July 1, 2007, funds shall be deposited  
3 into the tourism emergency trust fund,  
4 established in section 201B-10, in a manner  
5 sufficient to maintain a fund balance of  
6 \$5,000,000 in the tourism emergency trust fund;

7 and

8 (3) 44.8 per cent of the revenues collected under this  
9 chapter shall be transferred as follows: Kauai county  
10 shall receive 14.5 per cent, Hawaii county shall  
11 receive 18.6 per cent, city and county of Honolulu  
12 shall receive 44.1 per cent, and Maui county shall  
13 receive 22.8 per cent.

14 All transient accommodations taxes shall be paid into the  
15 state treasury each month within ten days after collection and  
16 shall be kept by the state director of finance in special  
17 accounts for distribution as provided in this subsection."

18 SECTION 2. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.

20 SECTION 3. This Act shall take effect on July 1, 2112.



**Report Title:**

TAT; Product Development; Cultural Programs

**Description:**

Requires that not less than 40 percent of moneys allocated to the Tourism Special Fund from the Transient Accommodations Tax be used for tourism product development and cultural programs.  
(HB681 HD1)

