
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.

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

1 SECTION 1. The legislature finds that the department of
2 business, economic development, and tourism provides services
3 and programs that promote economic development. Thus, the
4 legislature finds that the continued operation of the department
5 is imperative for the recovery of the economy of the State.

6 The legislature also finds that fees for business- and
7 commerce-related permits and authorizations have a nexus to the
8 business climate and economic performance of the State. The
9 legislature believes, in general, that the success of the
10 department of business, economic development, and tourism in
11 promoting the economy logically should result in the increase of
12 the business activities of most of the fee payers.
13 Consequently, the legislature finds that imposing a surcharge
14 upon the fees to fund the department is appropriate.

15 The purpose of this Act is to:



- 1 (1) Establish a new special fund for the operation of the
- 2 department of business, economic development, and
- 3 tourism;
- 4 (2) Impose a surcharge on certain business- and commerce-
- 5 related fees; and
- 6 (3) Require the surcharge revenues and \$2,000,000 of the
- 7 financial institutions tax to be deposited into the
- 8 special fund.

9 SECTION 2. Chapter 92, Hawaii Revised Statutes, is amended
10 by adding a new section to be appropriately designated and to
11 read as follows:

12 "§92-A Surcharge upon fees for certain business- and
13 commerce-related services by certain departments. (a)

14 Beginning July 1, 2010 through June 30, 2015, there shall be
15 added a surcharge of \$20 upon every fee charged by:

16 (1) The department of commerce and consumer affairs for
17 the:

18 (A) Application, issuance, renewal, or reissuance of
19 a license, permit, or other authorization for a
20 profession, business, or occupation;

21 (B) Examination or audit of a person engaged in a
22 profession, business, or occupation;



- 1 (C) Filing, registration, or renewal of a corporate
- 2 or other business document;
- 3 (D) Application for or registration of a trade name,
- 4 trademark, or service mark; or
- 5 (E) Tax on insurance premiums;
- 6 (2) The public utilities commission pertaining to the
- 7 regulation of a public utility or filing of any
- 8 document;
- 9 (3) The department of health pertaining to the regulation
- 10 of a food establishment, tattoo shop, or tattoo
- 11 artist;
- 12 (4) The department of labor and industrial relations
- 13 pertaining to the regulation of a hoisting machine
- 14 operator, blaster or pyrotechnics operator, safety and
- 15 health professional, boiler installer or installation,
- 16 and elevator mechanic or installation;
- 17 (5) The department of land and natural resources for the
- 18 application, issuance, renewal, or reissuance of a
- 19 commercial fishing license, aquaculture facility
- 20 license, special marine product license, commercial
- 21 boating ramp permit, or commercial film permit; and



1 (6) The department of taxation for the application,
2 issuance, renewal, or reissuance of a license, permit,
3 certificate, or other authorization required under the
4 following taxes: general excise; transient
5 accommodations; rental motor vehicle and tour vehicle;
6 liquor; cigarette and tobacco; liquid fuel; public
7 service company; and bank and financial corporation.

8 For the purpose of this section, "fee" means a monetary
9 amount charged by a department for a specified service by the
10 department, no matter the nomenclature used to describe the
11 amount charged.

12 (b) Each department subject to subsection (a) shall impose
13 and collect the appropriate surcharge and transmit the surcharge
14 revenues to the director of finance for deposit into the
15 department of business, economic development, and tourism
16 operation special fund. The director of finance shall establish
17 the deadlines by which the departments shall transmit the
18 surcharge revenues to the director.

19 (c) No surcharge shall be added to the following:

20 (1) Any service, no fee for which is charged;

21 (2) Any fine for a violation of a state law;



- 1 (3) Any fee for the dissemination or copying of a public
- 2 record; or
- 3 (4) Any fee charged to a state, county, or federal
- 4 agency."

5 SECTION 3. Chapter 201, Hawaii Revised Statutes, is
6 amended by adding a new section to part I to be appropriately
7 designated and to read as follows:

8 "§201-A Department of business, economic development, and
9 tourism operation special fund. (a) There is established
10 within the treasury of the State the department of business,
11 economic development, and tourism operation special fund.

12 (b) Moneys required to be deposited into the special fund
13 under sections 92-A and 241-7 shall be so deposited by the
14 director of finance.

15 Any interest earned on moneys on deposit in the special
16 fund shall be the realization of the general fund.

17 (c) Expenditures from the special fund shall be made to
18 pay for the operation of the department of business, economic
19 development, and tourism, including the salary and fringe
20 benefits costs of department personnel.

21 (d) If, on June 30, 2015, there are unexpended and
22 unencumbered moneys in the special fund, the director of finance



1 shall transfer those moneys to the general fund on July 1,
2 2015."

3 SECTION 4. Section 241-7, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§241-7 Disposition of funds.** All taxes collected under
6 this chapter shall be state realizations[~~+~~] and deposited into
7 the general fund; provided that, by [~~June 30~~] January 1 or as
8 soon thereafter as possible of each fiscal year, the sum of
9 \$2,000,000 shall be deposited with the director of finance to
10 the credit of the [~~compliance resolution~~] department of
11 business, economic development, and tourism operation special
12 fund as established pursuant to section [~~26-9(e)~~] 201-A."

13 SECTION 5. In codifying the new sections added by sections
14 2 and 3 of this Act, the revisor of statutes shall substitute
15 appropriate section numbers for the letters used in designating
16 the new sections in this Act.

17 SECTION 6. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

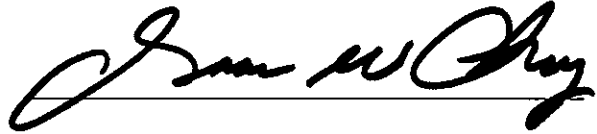
19 SECTION 7. This Act shall take effect on July 1, 2010 and
20 shall be repealed on June 30, 2015; provided that section 241-7,
21 Hawaii Revised Statutes, shall be reenacted on July 1, 2015 in



1 the form in which it read on the day before the effective date
2 of this Act.

3

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Sam W. Gray", written over a horizontal line.

JAN 14 2010



Report Title:

Department Of Business, Economic Development, And Tourism
Operation Special Fund

Description:

Establishes the department of business, economic development, and tourism operation special fund. Imposes a surcharge on the fees charged by certain departments for certain business- and commerce-related authorizations and services. Requires the deposit of the surcharge revenues, as well as \$2 million from the financial institutions tax, into the special fund. Requires moneys in the special fund to be used for the operation of the department of business, economic development, and tourism. Takes effect on 7/1/10 and sunsets on 6/30/15.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

