

STAND. COM. REP. NO.

871

Honolulu, Hawaii

March 6, 2009

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

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1204, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose of this bill is to support Hawaii's tourism industry by requiring, for each of fiscal years 2009-2010 and 2010-2011 only, an additional distribution of not more than \$10,000,000 in Transient Accommodations Tax revenues to the Tourism Special Fund.

The Hawaii Tourism Authority; Retail Merchants of Hawaii; Maui Hotel and Lodging Association; Maui Chamber of Commerce; Marriott's Ko Olina Beach Club; Maui Divers of Hawaii, Ltd.; Hilton Hawaii; New Otani Kaimana Beach Hotel; Ritz-Carlton; Kapalua; Hawaii Hotel and Lodging Association; Classic Resorts Limited; Starwood Hotels and Resorts Worldwide, Inc.; Outrigger Hotels; and several concerned individuals testified in support of this bill. The Department of Budget and Finance and Department of Taxation opposed this measure. The Department of Business, Economic Development, and Tourism and Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by leaving blank the amount of funds to be transferred to the Tourism Special Fund.

HB1204 HD2 HSCR FIN HMS 2009-2594



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1204, H.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.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



