

STAND. COM. REP. NO.

1199

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 1744
H.D. 1
S.D. 1

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. 1744, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to temporarily suspend the distribution of transient accommodation tax revenues to the counties from July 1, 2009, until June 30, 2015.

Testimony in support of this measure was submitted by three individuals. Testimony opposed to this measure was submitted by one state agency, twenty-one county agencies and public officials, sixteen private organizations, and thirty individuals. Comments on this measure were submitted by one private organization and sixteen individuals. The written testimony and comments may be reviewed on the Legislature's website.

Your Committee notes the enormous deficit the State is facing in the coming years due to expected revenue shortfalls. With the present fiscal crisis, the State must explore all available avenues to meet the constitutional mandate of a balanced budget.

Accordingly, your Committee has amended this measure by permanently repealing any distribution of the transient accommodation tax, imposed pursuant to section 237D-2, Hawaii Revised Statutes, to the various counties effective July 1, 2010.

HB1744 SD1 SSCR LRB 09-3456-1.doc



However, your Committee realizes that the counties are dependent upon their portions of the transient accommodation tax and, therefore, has further amended this measure by authorizing each county to impose, by ordinance, starting on January 1, 2010, a surcharge on the transient accommodation tax, not to exceed five per cent. Finally, your Committee has changed the effective date to July 1, 2046, to facilitate further discussion on this measure.

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. 1744, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1744, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

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

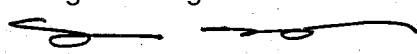


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1744 HD1	WAM	APRIL 6 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)		/		
CHUN OAKLAND, Suzanne		/		
ENGLISH, J. Kalani		/		
FUKUNAGA, Carol		/		
GALUTERIA, Brickwood		/		
HEE, Clayton	/			
HOOSER, Gary L.		/		
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.		/		
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
TOTAL	5	7		
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes