
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 171-19, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) There is created in the department a special fund to
4 be designated as the "special land and development fund".
5 Subject to the Hawaiian Homes Commission Act of 1920, as
6 amended, and section 5(f) of the Admission Act of 1959, all
7 proceeds of sale of public lands, including interest on deferred
8 payments; all moneys collected under section 171-58 for mineral
9 and water rights; all rents from leases, licenses, and permits
10 derived from public lands; all moneys collected from lessees of
11 public lands within industrial parks; all fees, fines, and other
12 administrative charges collected under this chapter and chapter
13 183C; a portion of the highway fuel tax collected under chapter
14 243; all moneys collected by the department for the commercial
15 use of public trails and trail accesses under the jurisdiction
16 of the department; transient accommodations tax revenues
17 collected pursuant to section [~~237D-6.5(b)(2)~~] 237D-6.5(b)(4);
18 and private contributions for the management, maintenance, and



1 development of trails and accesses shall be set apart in the
2 fund and shall be used only as authorized by the legislature for
3 the following purposes:

4 (1) To reimburse the general fund of the State for
5 advances made that are required to be reimbursed from
6 the proceeds derived from sales, leases, licenses, or
7 permits of public lands;

8 (2) For the planning, development, management, operations,
9 or maintenance of all lands and improvements under the
10 control and management of the board[7] pursuant to
11 title 12, including but not limited to permanent or
12 temporary staff positions who may be appointed without
13 regard to chapter 76; provided that transient
14 accommodations tax revenues allocated pursuant to
15 section 237D-6.5(b)(4) shall only be allocated and
16 expended according to the mutual agreement of the
17 board of land and natural resources and the board of
18 directors of the Hawaii tourism authority in
19 accordance with the Hawaii tourism authority strategic
20 plan as provided in section 237D-6.5(b)(4), including
21 allocations to the:



- 1 (A) Beach restoration special fund, established
2 pursuant to section 171-156;
- 3 (B) State parks special fund, established pursuant to
4 section 184-3.4;
- 5 (C) Hawaii statewide trail and access program,
6 established pursuant to section 198D-2; and
- 7 (D) Conservation and resources enforcement special
8 fund, established pursuant to section 199-1.5;
- 9 (3) To repurchase any land, including improvements, in the
10 exercise by the board of any right of repurchase
11 specifically reserved in any patent, deed, lease, or
12 other documents or as provided by law;
- 13 (4) For the payment of all appraisal fees; provided that
14 all fees reimbursed to the board shall be deposited in
15 the fund;
- 16 (5) For the payment of publication notices as required
17 under this chapter; provided that all or a portion of
18 the expenditures may be charged to the purchaser or
19 lessee of public lands or any interest therein under
20 rules adopted by the board;



- 1 (6) For the management, maintenance, and development of
- 2 trails and trail accesses under the jurisdiction of
- 3 the department;
- 4 (7) For the payment to private land developers who have
- 5 contracted with the board for development of public
- 6 lands under section 171-60;
- 7 (8) For the payment of debt service on revenue bonds
- 8 issued by the department, and the establishment of
- 9 debt service and other reserves deemed necessary by
- 10 the board;
- 11 (9) To reimburse the general fund for debt service on
- 12 general obligation bonds issued to finance
- 13 departmental projects, where the bonds are designated
- 14 to be reimbursed from the special land and development
- 15 fund;
- 16 (10) For the protection, planning, management, and
- 17 regulation of water resources under chapter 174C; and
- 18 (11) For other purposes of this chapter."

19 SECTION 2. Section 171-156, Hawaii Revised Statutes, is
20 amended by amending subsection (a) to read as follows:

21 "(a) There is established in the state treasury a special
22 fund to be designated as the "beach restoration special fund" to



1 carry out the purposes of this part. The following moneys shall
2 be deposited into the beach restoration special fund:

- 3 (1) Proceeds from the lease or development of public
4 coastal lands designated pursuant to a beach
5 restoration plan, subject to the Hawaiian Homes
6 Commission Act of 1920, as amended, and section 5(f)
7 of the Admission Act of 1959;
- 8 (2) Proceeds from the lease of public lands pursuant to
9 this part for an existing seawall or revetment;
- 10 (3) Fines collected for unauthorized shoreline structures
11 on state submerged land or conservation district land;
- 12 (4) Appropriations made by the legislature for deposit
13 into this fund;
- 14 (5) Donations and contributions made by private
15 individuals or organizations for deposit into this
16 fund;
- 17 (6) Fees collected for the processing of applications for
18 coastal and beach erosion control projects; ~~and~~
- 19 (7) Grants provided by governmental agencies or any other
20 source[-]; and
- 21 (8) Funds allocated from the transient accommodations tax
22 revenues pursuant to section 171-19(a)(2)."



1 SECTION 3. Section 184-3.4, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) There is established within the state treasury a fund
4 to be known as the state parks special fund, into which shall be
5 deposited:

6 (1) All proceeds collected by the state parks programs
7 involving park user fees, any leases or concession
8 agreements, the sale of any article purchased from the
9 department to benefit the state parks programs, or any
10 gifts or contributions; provided that proceeds derived
11 from the operation of Iolani Palace shall be used to
12 supplement its educational and interpretive programs;
13 and

14 (2) Transient accommodations tax revenues pursuant to
15 section [~~237D-6.5; provided that these moneys shall be~~
16 ~~expended in response to a master plan developed in~~
17 ~~coordination with the Hawaii tourism authority.] 171-
18 19(a)(2)."~~

19 SECTION 4. Section 198D-2, Hawaii Revised Statutes, is
20 amended as follows:

21 1. By amending subsection (b) to read:



1 "(b) The trail and access program shall use funding for
2 the management, maintenance, and development of trails and trail
3 accesses under the jurisdiction of the department from the
4 following sources:

5 (1) A portion of the highway fuel taxes collected under
6 chapter 243;

7 (2) Federal government grants;

8 (3) Private contributions;

9 (4) Fees, established pursuant to administrative rules and
10 charged by the department for the commercial and other
11 use of trails and trail accesses under the
12 jurisdiction of the department; and

13 (5) Transient accommodations tax revenues pursuant to
14 section ~~[237D-6.5.]~~ 171-19(a)(2)."

15 2. By amending subsection (d) to read:

16 "(d) The moneys specified in subsection (b)(1), (3), and
17 (4) ~~[, and (5)]~~ shall be deposited in the special land and
18 development fund under section 171-19 for the management,
19 maintenance, and development of trails and trail accesses under
20 the jurisdiction of the department ~~[; provided that the moneys~~
21 ~~specified in subsection (b)(5) shall be expended for the~~
22 ~~management, maintenance, and development of trails and access~~



1 ~~areas frequented by visitors in response to a master plan~~
2 ~~developed in coordination with the Hawaii tourism authority]."~~

3 SECTION 5. Section 199-1.5, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 "(b) The following shall be deposited into the
6 conservation and resources enforcement special fund:

7 (1) Grants, awards, donations, gifts, transfers, or moneys
8 derived from public or private sources for the
9 purposes of enforcing the provisions of title 12;
10 chapters 6D, 6E, and 6K; or any rule adopted
11 thereunder;

12 (2) Fees, reimbursements, administrative charges, and
13 penalties collected for activities related to the
14 enforcement of natural, cultural, and historic
15 resources protection laws and rules, except as
16 otherwise provided by law that provides for deposits
17 into other special funds administered by the
18 department;

19 (3) Moneys derived from interest, dividends, or other
20 income from the above-mentioned sources; ~~and~~

21 (4) Appropriations by the legislature to the special
22 fund[-]; and



1 (5) Funds allocated from the transient accommodations tax
2 revenues pursuant to section 171-19(a)(2)."

3 SECTION 6. Section 237D-6.5, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

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

8 (1) \$33,000,000 shall be allocated to the convention
9 center enterprise special fund established under
10 section 201B-8;

11 (2) \$82,000,000 shall be allocated to the tourism special
12 fund established under section 201B-11; provided that:

13 (A) Beginning on July 1, 2012, and ending on June 30,
14 2015, \$2,000,000 shall be expended from the
15 tourism special fund for development and
16 implementation of initiatives to take advantage
17 of expanded visa programs and increased travel
18 opportunities for international visitors to
19 Hawaii;

20 (B) Of the \$82,000,000 allocated:

21 (i) \$1,000,000 shall be allocated for the
22 operation of a Hawaiian center and the



1 museum of Hawaiian music and dance at the
2 Hawaii convention center; and

3 (ii) 0.5 per cent of the \$82,000,000 shall be
4 transferred to a sub-account in the tourism
5 special fund to provide funding for a safety
6 and security budget, in accordance with the
7 Hawaii tourism strategic plan 2005-2015; and

8 (C) Of the revenues remaining in the tourism special
9 fund after revenues have been deposited as
10 provided in this paragraph and except for any sum
11 authorized by the legislature for expenditure
12 from revenues subject to this paragraph,
13 beginning July 1, 2007, funds shall be deposited
14 into the tourism emergency trust fund,
15 established in section 201B-10, in a manner
16 sufficient to maintain a fund balance of
17 \$5,000,000 in the tourism emergency trust fund;

18 (3) \$93,000,000 shall be allocated as follows: Kauai
19 county shall receive 14.5 per cent, Hawaii county
20 shall receive 18.6 per cent, city and county of
21 Honolulu shall receive 44.1 per cent, and Maui county
22 shall receive 22.8 per cent; provided that commencing



1 with fiscal year 2018-2019, a sum that represents the
2 difference between a county public employer's annual
3 required contribution for the separate trust fund
4 established under section 87A-42 and the amount of the
5 county public employer's contributions into that trust
6 fund shall be retained by the state director of
7 finance and deposited to the credit of the county
8 public employer's annual required contribution into
9 that trust fund in each fiscal year, as provided in
10 section 87A-42, if the respective county fails to
11 remit the total amount of the county's required annual
12 contributions, as required under section 87A-43; and
13 (4) Of the excess revenues deposited into the general fund
14 pursuant to this subsection, [~~\$3,000,000~~] \$ _____
15 shall be allocated to the special land and development
16 fund, established pursuant to section 171-19, subject
17 to the mutual agreement of the board of land and
18 natural resources and the board of directors of the
19 Hawaii tourism authority in accordance with the Hawaii
20 tourism authority strategic plan for:



1 (A) The protection, preservation, and enhancement of
2 natural resources important to the visitor
3 industry;

4 (B) Planning, construction, and repair of facilities;
5 and

6 (C) Operation and maintenance costs of public lands
7 connected with enhancing the visitor
8 experience[-];

9 provided that of the \$ _____, \$ _____ shall be
10 allocated to the conservation and resources
11 enforcement special fund, established pursuant to
12 section 199-1.5.

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

17 As used in this subsection, "fiscal year" means the twelve-
18 month period beginning on July 1 of a calendar year and ending
19 on June 30 of the following calendar year."

20 SECTION 7. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.

22 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

Transient Accommodations Tax; Special Land and Development Fund;
Conservation and Resources Enforcement Special Fund; DLNR

Description:

Changes to an unspecified sum the amount of excess revenues allocated for certain purposes subject to the mutual agreement of the board of land and natural resources and the board of directors of the Hawaii tourism authority in accordance with the Hawaii tourism authority strategic plan. Specifies that these revenues shall be allocated to the special land and development fund. Requires a portion of these revenues to be allocated to the conservation and resources enforcement special fund. Effective 07/01/2050. (SD2)

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

