



1 tourism taxes its local essential infrastructure, including  
2 hospitals, to a greater degree than would resident population  
3 alone. Therefore, the legislature finds that it is appropriate  
4 for the visitor industry to contribute to supporting the  
5 community's infrastructure burden.

6 The purpose of this measure is to assist with the financing  
7 of a new hospital facility for the West Hawaii community by  
8 authorizing the issuance of general obligation bonds for that  
9 purpose and allocating a portion of the transient accommodations  
10 tax to offset costs related to the bond issuance, including  
11 interest and debt service.

12 PART II

13 SECTION 2. The director of finance is authorized to issue  
14 general obligation bonds in the sum of \$ or so much  
15 thereof as may be necessary and the same sum or so much thereof  
16 as may be necessary is appropriated for fiscal year 2015-2016  
17 for the purpose of financing and refinancing all or any part of  
18 the cost of planning, designing, improving, acquiring,  
19 constructing, equipping, or furnishing a new hospital in North  
20 Kona, to be developed by regional system V of the Hawaii health  
21 systems corporation.





# H.B. NO. 379

1 implementation of initiatives to take advantage  
2 of expanded visa programs and increased travel  
3 opportunities for international visitors to  
4 Hawaii;

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

6 (i) \$1,000,000 shall be allocated for the  
7 operation of a Hawaiian center and the  
8 museum of Hawaiian music and dance at the  
9 Hawaii convention center; and

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

15 (C) Of the revenues remaining in the tourism special  
16 fund after revenues have been deposited as  
17 provided in this paragraph and except for any sum  
18 authorized by the legislature for expenditure  
19 from revenues subject to this paragraph,  
20 beginning July 1, 2007, funds shall be deposited  
21 into the tourism emergency trust fund,



1            established in section 201B-10, in a manner  
2            sufficient to maintain a fund balance of  
3            \$5,000,000 in the tourism emergency trust fund;  
4        (3) \$103,000,000 for fiscal year 2014-2015, \$103,000,000  
5            for fiscal year 2015-2016, and \$93,000,000 for each  
6            fiscal year thereafter shall be allocated as follows:  
7            Kauai county shall receive 14.5 per cent, Hawaii  
8            county shall receive 18.6 per cent, city and county of  
9            Honolulu shall receive 44.1 per cent, and Maui county  
10           shall receive 22.8 per cent; provided that commencing  
11           with fiscal year 2018-2019, a sum that represents the  
12           difference between a county public employer's annual  
13           required contribution for the separate trust fund  
14           established under section 87A-42 and the amount of the  
15           county public employer's contributions into that trust  
16           fund shall be retained by the state director of  
17           finance and deposited to the credit of the county  
18           public employer's annual required contribution into  
19           that trust fund in each fiscal year, as provided in  
20           section 87A-42, if the respective county fails to



1           remit the total amount of the county's required annual  
2           contributions, as required under section 87A-43;

3           (4) \$3,000,000 shall be allocated to the Turtle Bay  
4           conservation easement special fund established under  
5           section 201B-8.6 for the payment of debt service on  
6           revenue bonds, the proceeds of which were used to  
7           acquire the conservation easement in Turtle Bay, Oahu,  
8           until the bonds are fully amortized; ~~and~~

9           (5) Of the excess revenues deposited into the general fund  
10          pursuant to this subsection, \$3,000,000 shall be  
11          allocated subject to the mutual agreement of the board  
12          of land and natural resources and the board of  
13          directors of the Hawaii tourism authority in  
14          accordance with the Hawaii tourism authority strategic  
15          plan for:

16          (A) The protection, preservation, and enhancement of  
17                natural resources important to the visitor  
18                industry;

19          (B) Planning, construction, and repair of facilities;  
20                and



1 (C) Operation and maintenance costs of public lands  
2 connected with enhancing the visitor  
3 experience [-]; and

4 (6) Of the excess revenues deposited into the general fund  
5 pursuant to this subsection, \$ shall be  
6 allocated to the department of budget and finance for  
7 the payment of expenses, including interest and debt  
8 service, related to the issuance of general obligation  
9 bonds to finance the cost of planning, designing,  
10 improving, acquiring, constructing, equipping, or  
11 furnishing a new hospital in North Kona pursuant to  
12 Act , Session Laws of Hawaii 2015.

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."



1  
2  
3  
4  
5

PART IV

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2015.

INTRODUCED BY:

*Richard Larson*  
*Cindy Evans*  
*Nicole E. L.*  
~~*[Signature]*~~  
*Kelly A. Pelletti*

JAN 23 2015





# H.B. NO. 379

**Report Title:**

General Obligation Bonds; HHSC; Transient Accommodations Tax

**Description:**

Authorizes the issuance of general obligation bonds to develop a new HHSC hospital in North Kona. Allocates a portion of the Transient Accommodations Tax to fund the bond issuance.

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

