

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 2987
S.D. 2
H.D. 2
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2987, S.D. 2, H.D. 2, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to amend the annual allocation of transient accommodations tax revenues to the counties.

Specifically, this measure:

- (1) Changes the annual aggregate cap on the transient accommodations tax revenues allocation to the counties from \$93,000,000 after fiscal year 2015-2016 to an unspecified amount;



- (2) Amends the annual percentage of transient accommodations tax revenues allocated to each county as follows:
 - (A) From 14.5 to 20 per cent for the County of Kauai;
 - (B) From 18.6 to 25 per cent for the County of Hawaii;
 - (C) From 44.1 to 30 per cent for the City and County of Honolulu; and
 - (D) From 22.8 to 25 per cent for the County of Maui; and
- (3) Deletes language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016.

Your Committee on Conference recognizes that Act 174, Session Laws of Hawaii 2014, temporarily increased the \$93,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties to \$103,000,000 for fiscal years 2014-2015 and 2015-2016. Given that the several counties often request stability in funding, your Committee on Conference finds that it would be appropriate to extend the \$103,000,000 cap for one additional fiscal year while also maintaining each county's existing share of transient accommodations tax revenues.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Extending the \$103,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties into fiscal year 2016-2017, and restoring existing statutory language that lowers the cap to \$93,000,000 for each fiscal year thereafter;
- (2) Deleting amendments that would have changed the annual percentage of transient accommodations tax revenues allocated to each county;
- (3) Restoring existing statutory language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016; and
- (4) Changing its effective date to July 1, 2016.




As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2987, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2987, S.D. 2, H.D. 2, C.D. 1.

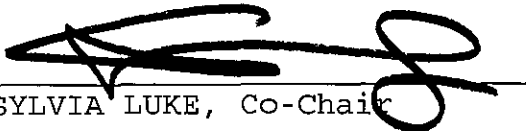
Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE


TOM BROWER, Co-Chair


J. KALANI ENGLISH, Chair


SYLVIA LUKE, Co-Chair


CLARENCE K. NISHIHARA, Co-Chair


JILL N. TOKUDA, Co-Chair



