

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND
TECHNOLOGY AND
TOURISM AND INTERNATIONAL AFFAIRS
ON
SENATE BILL NO. 721

February 6, 2015

RELATING TO INNOVATIVE BUSINESS INTERACTION

Senate Bill No. 721 establishes an Innovative Business Interaction Program under the Department of Business, Economic Development and Tourism with assistance from the Hawaii Tourism Authority. The bill also increases the Transient Accommodations Tax revenues deposited into the Tourism Special Fund by \$500,000 to be used to fund the Innovative Business Interaction Program.

The Department of Budget and Finance is concerned that this measure would divert \$500,000 per year from the general fund, which is not accounted for in the current general fund financial plan.