

JAN 20 2017

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# 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 237D-6.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) Revenues collected under this chapter shall be  
4 distributed in the following priority, with the excess revenues  
5 to be deposited into the general fund:

6           (1) \$1,500,000 shall be allocated to the Turtle Bay  
7 conservation easement special fund beginning July 1,  
8 2015, for the reimbursement to the state general fund  
9 of debt service on reimbursable general obligation  
10 bonds, including ongoing expenses related to the  
11 issuance of the bonds, the proceeds of which were used  
12 to acquire the conservation easement and other real  
13 property interests in Turtle Bay, Oahu, for the  
14 protection, preservation, and enhancement of natural  
15 resources important to the State, until the bonds are  
16 fully amortized;



- 1           (2)   \$26,500,000 shall be allocated to the convention
- 2                   center enterprise special fund established under
- 3                   section 201B-8;
- 4           (3)   \$82,000,000 shall be allocated to the tourism special
- 5                   fund established under section 201B-11; provided that:
- 6                   (A)   Beginning on July 1, 2012, and ending on June 30,
- 7                               2015, \$2,000,000 shall be expended from the
- 8                               tourism special fund for development and
- 9                               implementation of initiatives to take advantage
- 10                              of expanded visa programs and increased travel
- 11                              opportunities for international visitors to
- 12                              Hawaii;
- 13                   (B)   Of the \$82,000,000 allocated:
- 14                              (i)   \$1,000,000 shall be allocated for the
- 15                                       operation of a Hawaiian center and the
- 16                                       museum of Hawaiian music and dance at the
- 17                                       Hawaii convention center; and
- 18                              (ii)  0.5 per cent of the \$82,000,000 shall be
- 19                                       transferred to a sub-account in the tourism
- 20                                       special fund to provide funding for a safety



1                   and security budget, in accordance with the  
2                   Hawaii tourism strategic plan 2005-2015; and  
3           (C) Of the revenues remaining in the tourism special  
4           fund after revenues have been deposited as  
5           provided in this paragraph and except for any sum  
6           authorized by the legislature for expenditure  
7           from revenues subject to this paragraph,  
8           beginning July 1, 2007, funds shall be deposited  
9           into the tourism emergency special fund,  
10          established in section 201B-10, in a manner  
11          sufficient to maintain a fund balance of  
12          \$5,000,000 in the tourism emergency special fund;  
13          (4) \$103,000,000 [~~for fiscal year 2014-2015, \$103,000,000~~  
14          ~~for fiscal year 2015-2016, \$103,000,000 for fiscal~~  
15          ~~year 2016-2017, and \$93,000,000 for each fiscal year~~  
16          ~~thereafter]~~ shall be allocated as follows: Kauai  
17          county shall receive 14.5 per cent, Hawaii county  
18          shall receive 18.6 per cent, city and county of  
19          Honolulu shall receive 44.1 per cent, and Maui county  
20          shall receive 22.8 per cent; provided that commencing  
21          with fiscal year 2018-2019, a sum that represents the



1 difference between a county public employer's annual  
2 required contribution for the separate trust fund  
3 established under section 87A-42 and the amount of the  
4 county public employer's contributions into that trust  
5 fund shall be retained by the state director of  
6 finance and deposited to the credit of the county  
7 public employer's annual required contribution into  
8 that trust fund in each fiscal year, as provided in  
9 section 87A-42, if the respective county fails to  
10 remit the total amount of the county's required annual  
11 contributions, as required under section 87A-43; and  
12 (5) \$3,000,000 shall be allocated to the special land and  
13 development fund established under section 171-19;  
14 provided that the allocation shall be expended in  
15 accordance with the Hawaii tourism authority strategic  
16 plan for:  
17 (A) The protection, preservation, maintenance, and  
18 enhancement of natural resources, including  
19 beaches, important to the visitor industry;  
20 (B) Planning, construction, and repair of facilities;  
21 and



1 (C) Operation and maintenance costs of public lands,  
2 including beaches, connected with enhancing the  
3 visitor experience.

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

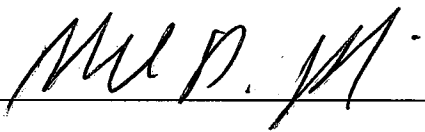
8 As used in this subsection, "fiscal year" means the twelve-  
9 month period beginning on July 1 of a calendar year and ending  
10 on June 30 of the following calendar year."

11 SECTION 2. Statutory material to be repealed is bracketed  
12 and stricken.

13 SECTION 3. This Act shall take effect on July 1, 2017.

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INTRODUCED BY:

  
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By Request



# S.B. NO. 527

**Report Title:**

Transient Accommodations Tax; Allocation Among Counties

**Description:**

Establishes \$103,000,000 as the permanent amount of transient accommodations taxes to be allocated between the counties.

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

