

STAND. COM. REP. NO.

1765

Honolulu, Hawaii

April 7

, 2017

RE: S.B. No. 1290
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1290, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to allocate \$2,000,000 from transient accommodations tax revenues to the Hawaii Tourism Authority working in conjunction with the Hawaii Lodging and Tourism Association for the implementation of initiatives to address homelessness in tourist and resort areas.

The Hawaii Lodging and Tourism Association, Kohala Coast Resort Association, Poipu Beach Resort Association, Napili Kai Beach Resort, IMUAlliance, and two concerned individuals supported this measure. Honolulu City Council and Kauai County Council opposed this measure. The Department of Budget and Finance, County of Maui Mayor, County of Hawaii Mayor, Maui County Council, Hawaii County Council, Office of the Mayor of the City and County of Honolulu, Hawaii State Association of Counties, Tax Foundation of Hawaii, Kihei Community Association, Kauai Chamber of Commerce, and Hawaii Council of Mayors provided comments.

SB1290 HD2 HSCR FIN HMS 2017-3472



Your Committee has amended this measure by:

- (1) Changing the transient accommodations tax revenue allocations as follows:
 - (A) Changing the new allocation for the Hawaii Tourism Authority for the implementation of initiatives to address homelessness to an unspecified amount; and
 - (B) Changing the existing allocation of \$93,000,000 to an unspecified amount to the counties; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1290, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1290, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



