
A BILL FOR AN ACT

RELATING TO TOURISM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to allocate matching
2 funds from transient accommodations tax revenues to the Hawaii
3 tourism authority to support initiatives, in conjunction with
4 the Hawaii lodging and tourism association, to mitigate the
5 negative impacts on communities caused by tourism activities.

6 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is
7 amended by amending subsection (b) to read as follows:

8 "(b) Except for the revenues collected pursuant to section
9 237D-2(e), revenues collected under this chapter shall be
10 distributed in the following priority, with the excess revenues
11 to be deposited into the general fund:

- 12 (1) \$1,500,000 shall be allocated to the Turtle Bay
13 conservation easement special fund beginning July 1,
14 2015, for the reimbursement to the state general fund
15 of debt service on reimbursable general obligation
16 bonds, including ongoing expenses related to the
17 issuance of the bonds, the proceeds of which were used



1 to acquire the conservation easement and other real
2 property interests in Turtle Bay, Oahu, for the
3 protection, preservation, and enhancement of natural
4 resources important to the State, until the bonds are
5 fully amortized;

6 (2) \$26,500,000 shall be allocated to the convention
7 center enterprise special fund established under
8 section 201B-8;

9 (3) \$82,000,000 shall be allocated to the tourism special
10 fund established under section 201B-11; provided that:

11 (A) Beginning on July 1, 2012, and ending on June 30,
12 2015, \$2,000,000 shall be expended from the
13 tourism special fund for development and
14 implementation of initiatives to take advantage
15 of expanded visa programs and increased travel
16 opportunities for international visitors to
17 Hawaii;

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

19 (i) \$1,000,000 shall be allocated for the
20 operation of a Hawaiian center and the



1 museum of Hawaiian music and dance at the
2 Hawaii convention center; and

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

8 (C) Of the revenues remaining in the tourism special
9 fund after revenues have been deposited as
10 provided in this paragraph and except for any sum
11 authorized by the legislature for expenditure
12 from revenues subject to this paragraph,
13 beginning July 1, 2007, funds shall be deposited
14 into the tourism emergency special fund,
15 established in section 201B-10, in a manner
16 sufficient to maintain a fund balance of
17 \$5,000,000 in the tourism emergency special fund;

18 (4) \$103,000,000 shall be allocated as follows: Kauai
19 county shall receive 14.5 per cent, Hawaii county
20 shall receive 18.6 per cent, city and county of
21 Honolulu shall receive 44.1 per cent, and Maui county



1 shall receive 22.8 per cent; provided that commencing
2 with fiscal year 2018-2019, a sum that represents the
3 difference between a county public employer's annual
4 required contribution for the separate trust fund
5 established under section 87A-42 and the amount of the
6 county public employer's contributions into that trust
7 fund shall be retained by the state director of
8 finance and deposited to the credit of the county
9 public employer's annual required contribution into
10 that trust fund in each fiscal year, as provided in
11 section 87A-42, if the respective county fails to
12 remit the total amount of the county's required annual
13 contributions, as required under section 87A-43; [and]

14 (5) \$3,000,000 shall be allocated to the special land and
15 development fund established under section 171-19;
16 provided that the allocation shall be expended in
17 accordance with the Hawaii tourism authority strategic
18 plan for:

19 (A) The protection, preservation, maintenance, and
20 enhancement of natural resources, including
21 beaches, important to the visitor industry;



1 (B) Planning, construction, and repair of facilities;

2 and

3 (C) Operation and maintenance costs of public lands,

4 including beaches, connected with enhancing the

5 visitor experience[-]; and

6 (6) Beginning on July 1, 2018, \$10,000,000 shall be

7 allocated to the Hawaii tourism authority to support

8 initiatives, in conjunction with the Hawaii lodging

9 and tourism association, that mitigate the negative

10 impacts on communities caused by tourist activity;

11 provided that no funds shall be released unless

12 matched dollar-for-dollar by the private sector, the

13 applicable county, or a combination of both.

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

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



1 SECTION 3. The Hawaii tourism authority shall submit a
2 report on the expenditure of the \$10,000,000 allocation of funds
3 to the legislature no later than twenty days prior to the
4 convening of the regular session of 2019. The report shall
5 include amounts expended for specific initiatives and the
6 mitigating impact of the expenditure for each initiative.

7 SECTION 4. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect on July 1, 2018.



Report Title:

Transient Accommodations Tax; Allocation; Hawaii Tourism Authority

Description:

Allocates matching funds from transient accommodations tax revenues to the Hawaii Tourism Authority to support initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to mitigate the negative impacts on communities caused by tourism activity. (HB1828 HD2)

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

