

Honolulu, Hawaii

February 13, 2018

RE: H.B. No. 1665

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred H.B. No. 1665 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 amend the amount of transient accommodations tax revenues allocated to the counties from a specified amount to a percentage of the revenues collected.

The Big Island Invasive Species Committee, Office of the Mayor of the City and County of Honolulu, three members of the Maui County Council, a member of the Kauai County Council, a member of the Hawaii County Council, Hawaii Council of Mayors, Hawaii State Association of Counties, Maui Hotel & Lodging Association, and a concerned individual supported this bill. The Department of Budget and Finance and Tax Foundation of Hawaii submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the method of allocating transient accommodations tax revenues to counties to one based on reimbursements to a county for specified public services rendered by the county and the amount of the tax credits



under a primary residential property owner tax credit program;

- (2) Creating a tax credit program for primary residential property owners who do not provide transient accommodations;
- (3) Capping the amount that a particular county may receive in reimbursements;
- (4) Changing its effective date to July 1, 2050; and
- (5) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1665, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1665, H.D. 1, and be referred to your Committee on Finance.

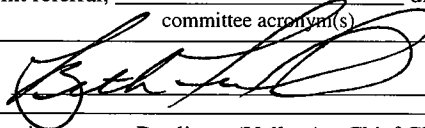
Respectfully submitted on
behalf of the members of the
Committee on Tourism,


RICHARD H.K. ONISHI, Chair



State of Hawaii
House of Representatives **HSCR 348-18**
The Twenty-ninth Legislature

Record of Votes of the Committee on Tourism

Bill/Resolution No.: <i>HB 1665</i>	Committee Referral: <i>TOU, FIN</i>	Date: <i>2/6/2018</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. ONISHI, Richard H.K. (C)	/			
2. FUKUMOTO, Beth (VC)	/			
3. CACHOLA, Romy M.	/			
4. CHOY, Isaac W.	/			
5. ITO, Ken	/			
6. LoPRESTI, Matthew S.				/
7. OHNO, Takashi	/			
8. WOODSON, Justin H.	/			
9. WARD, Gene	/			
TOTAL (9)	8			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				