Honolulu, Hawaii
February 15, 2018

RE: H.B. No. 2011 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. 2011 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX," begs leave to report as follows:

The purpose of this measure is to enhance enforcement of the State's Transient Accommodations Tax (TAT) law by increasing the annual cap on the Tax Administration Special Fund for the special enforcement section from \$700,000 to \$1,000,000, and requiring that the first \$300,000 collected be deposited into a special account exclusively for the operations of the special enforcement section in enforcing the TAT law.

The Department of Taxation, Tax Foundation of Hawaii, and Airbnb provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

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. 2011, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2011, H.D. 1, and be referred to your Committee on Finance.

HB2011 HD1 HSCR TOU HMS 2018-2153

STAND. COM. REP. NO. **514**-18 Page 2

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

RICHARD H.K. ONISHI, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

Stace 514-18

Record of Votes of the Committee on Tourism

| Bill/Resolution No.: HB 2611 | Committee Referral: | Date: | 13/2018 | |
|--|---------------------|-----------|---------|---------|
| ☐ The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ 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) | × | | | <u></u> |
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| 2. FUKUMOTO, Beth (VC) | × | | | |
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| 3. CACHOLA, Romy M. | \sim | | | |
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| 4. CHOY, Isaac W. | | | | -X $-$ |
| | | | | |
| 5. ITO, Ken | × | | | |
| Lappecti Matthews | | | | |
| 6. LoPRESTI, Matthew S. | | | | |
| 7. OHNO, Takashi | | | | |
| 7. Olivo, Takasii | | | | |
| 8. WOODSON, Justin H. | \times | | | |
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| 9. WARD, Gene | × | | | |
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| TOTAL (9) | 8 | | | |
| The recommendation is: Adopted If joint referral, committee accordance Adopted If joint referral, committee accordance Adopted If joint referral, committee accordance Adopted Adopted If joint referral, committee accordance Adopted Adopted Adopted If joint referral, committee accordance Adopted Ado | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |