

STAND. COM. REP. NO.

2496

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2224
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Economic Development, Tourism, and
Technology, to which was referred S.B. No. 2224 entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require all hotelkeepers to post, no later than
January 1, 2019, in each hotel room occupied by a hotel
guest, an ocean safety information sheet developed by
the Hawaii Tourism Authority; and
- (2) Require the Hawaii Tourism Authority to develop an ocean
safety information sheet to be posted in each hotel
room.

Prior to the hearing on this measure, your Committee posted
and made available for public review a proposed S.D. 1, which
deletes the contents of the measure and inserts language to:

- (1) Rename the convention center enterprise special fund as
the convention center operations and maintenance special
fund;



- (2) Repeal the allocation of the transient accommodations tax to that fund and amend the authorized uses of the fund; and
- (3) Redistribute the allocation of transient accommodation tax revenue from the Hawaii Tourism Authority to other state agencies for certain purposes.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources. Your Committee received testimony in opposition to the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and the Hawaii Tourism Authority. Your Committee received comments on the proposed S.D. 1 from the Department of Budget and Finance, Office of the Auditor, and University of Hawai'i System.

Your Committee finds the existing allocation of revenue from the transient accommodations tax should be amended to address the specific needs of agencies that work with, or are impacted by, the tourism industry. Your Committee believes that directly allocating the revenue from the transient accommodations tax to the appropriate agency, as proposed by this measure, will better ensure that the specific areas affected by the tourism industry receive resources needed to remedy any concerns that arise from the tourism industry.

Your Committee further finds that the definition of "administrative expenses", as currently used in section 201B-11, Hawaii Revised Statutes, is vague and has resulted in confusion as to the specific expenses for which the tourism special fund may be used. Your Committee believes that the definition needs to be refined to avoid any further confusion.


Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Defining "administrative expenses", as used in section 201B-11(c), Hawaii Revised Statutes, as office equipment, salaries, and supplies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2224, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development, Tourism, and
Technology,

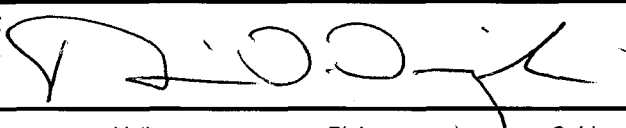


GLENN WAKAI, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Economic Development, Tourism, and Technology
ETT

Bill / Resolution No.:* SB 2224	Committee Referral: ETT, WAM	Date: 2/14/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
BAKER, Rosalyn H.	✓			
GALUTERIA, Brickwood				✓
THIELEN, Laura H.				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes