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## A BILL FOR AN ACT

RELATING TO THE STATE OF HAWAII MUSEUM OF NATURAL AND CULTURAL HISTORY.

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

1           SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) Except for the revenues collected pursuant to section  
4 237D-2(e), revenues collected under this chapter shall be  
5 distributed in the following priority, with the excess revenues  
6 to be deposited into the general fund:

7           (1) \$1,500,000 shall be allocated to the Turtle Bay  
8 conservation easement special fund beginning July 1,  
9 2015, for the reimbursement to the state general fund  
10 of debt service on reimbursable general obligation  
11 bonds, including ongoing expenses related to the  
12 issuance of the bonds, the proceeds of which were used  
13 to acquire the conservation easement and other real  
14 property interests in Turtle Bay, Oahu, for the  
15 protection, preservation, and enhancement of natural



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1 resources important to the State, until the bonds are  
2 fully amortized;

3 (2) \$16,500,000 shall be allocated to the convention  
4 center enterprise special fund established under  
5 section 201B-8;

6 (3) [~~\$79,000,000~~] \$80,000,000 shall be allocated to the  
7 tourism special fund established under section  
8 201B-11; provided that:

9 (A) Beginning on July 1, 2012, and ending on June 30,  
10 2015, \$2,000,000 shall be expended from the  
11 tourism special fund for development and  
12 implementation of initiatives to take advantage  
13 of expanded visa programs and increased travel  
14 opportunities for international visitors to  
15 Hawaii;

16 (B) Of the [~~\$79,000,000~~] \$80,000,000 allocated:  
17 (i) \$1,000,000 shall be allocated for the  
18 operation of a Hawaiian center and the  
19 museum of Hawaiian music and dance at the  
20 Hawaii convention center; [~~and~~]



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1           (ii) \$1,500,000 shall be allocated for the  
2           operation of the State of Hawaii museum of  
3           natural and cultural history; provided that  
4           on March 31, 2020, and on March 31 of each  
5           year thereafter, the department of business,  
6           economic development, and tourism shall  
7           calculate an adjusted allocation to be  
8           calculated to the nearest dollar using the  
9           Honolulu region consumer price index or a  
10          successor index as calculated by the United  
11          States Department of Labor for the twelve  
12          months prior to March 1 of each year;  
13          provided further that if in any year the  
14          adjustment based on the Honolulu region  
15          consumer price index would result in a lower  
16          allocation, the allocation shall not be  
17          decreased, and the adjusted allocation shall  
18          remain at the most recently established  
19          allocation amount. Each adjusted allocation  
20          calculated under this subsection shall take



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1                   effect on July 1 of the same year that the  
2                   adjustment is calculated; and  
3                   ~~[(ii)]~~ (iii) 0.5 per cent of the ~~[\$79,000,000]~~  
4                   \$80,000,000 shall be transferred to a sub-  
5                   account in the tourism special fund to  
6                   provide funding for a safety and security  
7                   budget, in accordance with the Hawaii  
8                   tourism strategic plan 2005-2015; and  
9                   (C) Of the revenues remaining in the tourism special  
10                   fund after revenues have been deposited as  
11                   provided in this paragraph and except for any sum  
12                   authorized by the legislature for expenditure  
13                   from revenues subject to this paragraph,  
14                   beginning July 1, 2007, funds shall be deposited  
15                   into the tourism emergency special fund,  
16                   established in section 201B-10, in a manner  
17                   sufficient to maintain a fund balance of  
18                   \$5,000,000 in the tourism emergency special fund;  
19                   (4) \$103,000,000 shall be allocated as follows: Kauai  
20                   county shall receive 14.5 per cent, Hawaii county  
21                   shall receive 18.6 per cent, city and county of



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1 Honolulu shall receive 44.1 per cent, and Maui county  
2 shall receive 22.8 per cent; provided that commencing  
3 with fiscal year 2018-2019, a sum that represents the  
4 difference between a county public employer's annual  
5 required contribution for the separate trust fund  
6 established under section 87A-42 and the amount of the  
7 county public employer's contributions into that trust  
8 fund shall be retained by the state director of  
9 finance and deposited to the credit of the county  
10 public employer's annual required contribution into  
11 that trust fund in each fiscal year, as provided in  
12 section 87A-42, if the respective county fails to  
13 remit the total amount of the county's required annual  
14 contributions, as required under section 87A-43; and  
15 (5) \$3,000,000 shall be allocated to the special land and  
16 development fund established under section 171-19;  
17 provided that the allocation shall be expended in  
18 accordance with the Hawaii tourism authority strategic  
19 plan for:



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- 1           (A) The protection, preservation, maintenance, and
- 2                   enhancement of natural resources, including
- 3                   beaches, important to the visitor industry;
- 4           (B) Planning, construction, and repair of facilities;
- 5                   and
- 6           (C) Operation and maintenance costs of public lands,
- 7                   including beaches, connected with enhancing the
- 8                   visitor experience.

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

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

16           SECTION 2. There is appropriated out of the tourism  
17 special fund of the State of Hawaii the sum of \$1,500,000 or so  
18 much thereof as may be necessary for fiscal year 2019-2020 and  
19 the same sum or so much thereof as may be necessary for fiscal  
20 year 2020-2021 for operation of the State of Hawaii museum of  
21 natural and cultural history.



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1           The sums appropriated shall be expended by the department  
2 of business, economic development, and tourism for the purposes  
3 of this Act.

4           SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 4. This Act shall take effect on July 1, 2019.

7

INTRODUCED BY:



JAN 24 2019



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**Report Title:**

State of Hawaii Museum of Natural and Cultural History; DBEDT;  
Department of Taxation; Transient Accommodations Tax;  
Appropriation

**Description:**

Increases the amount of transient accommodations tax revenues allocated for the tourism special fund. Allocates \$1,500,000 of the tourism special fund for the operation of the State of Hawaii Museum of Natural and Cultural History. Requires the Department of Business, Economic Development, and Tourism to calculate an adjusted allocation each year. Appropriates funds.

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