

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 911
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred H.B. No. 911, H.D. 2, 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) Establish the convention center repair and maintenance special fund and convention center emergency special fund, allocate a portion of transient accommodations tax revenues to both funds for certain fiscal years, and require annual reports to the Legislature regarding expenditures from both funds;
- (2) Amend permissible uses of the convention center enterprise special fund; and
- (3) Delete repair and maintenance as permissible uses of the convention center enterprise special fund.

Your Committee received testimony in support of this measure from the Hawai'i Tourism Authority. Your Committee received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.



Your Committee finds that Hawaii is vulnerable to a wide variety of natural disasters, which was underscored this past year as the State experienced serious property damage from major flooding and the eruption of Kilauea on the island of Hawaii. Your Committee further finds that the State is responsible for ensuring the safety of residents and visitors of the State, a substantial responsibility as the State hosts up to 220,000 visitors a day, in addition to roughly one million residents.


Your Committee also finds that the Hawaii Convention Center serves as the emergency operations center for the Hawaii Tourism Authority to address and direct the tourism industry during statewide emergencies. The Hawaii Convention Center can serve as a valuable resource during a natural disaster or other emergencies for the State. Your Committee believes that to better utilize the Hawaii Convention Center for multiple purposes, additional funds must be made available to ensure that the convention center is properly maintained and can be used to its full potential.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2100, to encourage further discussion; 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 Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 911, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 911, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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



GLENN WAKAI, Chair



