

STAND. COM. REP. NO.

467

Honolulu, Hawaii

FEB 15 2019

RE: S.B. No. 198
S.D. 1

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

Sir:

Your Committees on Energy, Economic Development, and Tourism and Public Safety, Intergovernmental, and Military Affairs, to which was referred S.B. No. 198 entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize counties to levy a county surcharge on transient accommodations tax (TAT) in their respective counties pursuant to certain conditions.

Your Committees received testimony in support of this measure from the Office of the Mayor of the City and County of Honolulu. Your Committees received testimony in opposition to this measure from the Honolulu County Republican Party. Your Committees received comments on this measure from the Department of Taxation, Office of the Mayor of the County of Maui, Office of the Mayor of the County of Hawai'i, and Tax Foundation of Hawaii.

Your Committees find that the TAT is collected from hotels and other short-term lodgings that host guests for fewer than one hundred eighty days. TAT revenues help to pay for tourism-related expenditures, and a portion is allocated to the counties for their share of tourism-related costs. Your Committees also find that the State has experienced a growth in tourism and likewise



tourism-related expenditures and impacts. This measure authorizes the counties to establish a surcharge on the TAT, which will help generate additional revenue to pay for rising expenditures to ensure that Hawaii remains a premier vacation destination, while also maintaining a high quality of life and resources for residents.

Your Committees have amended this measure by:

- (1) Inserting a blank cap on each county's surcharge on the transient accommodations tax;
- (2) Amending the method of designating the taxation district to which the county surcharge on transient accommodations tax is assigned; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 198, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 198, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Energy, Economic
Development, and Tourism and
Public Safety,
Intergovernmental, and Military
Affairs,



CLARENCE K. NISHIHARA, Chair




GLENN WAKAI, Chair



The Senate
 Thirtieth Legislature
 State of Hawai'i

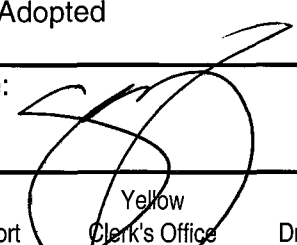
Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.: <i>SB 198</i>	Committee Referral: <i>EET/PEM, WAM</i>	Date: <i>2/6/19</i>		
<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)		✓		
INOUE, Lorraine R.				✓
KEOHOKALOOLE, Jarrett	✓			
FEVELLA, Kurt	✓			
TOTAL	<i>3</i>	<i>1</i>	<i>0</i>	<i>1</i>
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

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Public Safety, Intergovernmental, and Military Affairs
PSM

Bill / Resolution No.:* SB 198	Committee Referral: EET/PSM, WAM	Date: 2/6/19		
<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
NISHIHARA, Clarence K. (C)	✓			
WAKAI, Glenn (VC)	✓			
BAKER, Rosalyn H.				✓
HARIMOTO, Breene				✓
FEVELLA, Kurt	✓			
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				

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