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# A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1           SECTION 1. The purpose of this Act is to allocate funds  
2 from transient accommodations tax revenues to the Hawaii tourism  
3 authority for the implementation of initiatives, in conjunction  
4 with the Hawaii Lodging and Tourism Association, to address  
5 homelessness in tourist and resort areas.

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

8           "(b) Except for the revenues collected pursuant to section  
9 237D-2(e), revenues collected under this chapter shall be  
10 distributed in the following priority, with the excess revenues  
11 to be deposited into the general fund:

12           (1) \$1,500,000 shall be allocated to the Turtle Bay  
13 conservation easement special fund beginning July 1,  
14 2015, for the reimbursement to the state general fund  
15 of debt service on reimbursable general obligation  
16 bonds, including ongoing expenses related to the  
17 issuance of the bonds, the proceeds of which were used



1 to acquire the conservation easement and other real  
2 property interests in Turtle Bay, Oahu, for the  
3 protection, preservation, and enhancement of natural  
4 resources important to the State, until the bonds are  
5 fully amortized;

6 (2) \$16,500,000 shall be allocated to the convention  
7 center enterprise special fund established under  
8 section 201B-8;

9 (3) \$79,000,000 shall be allocated to the tourism special  
10 fund established under section 201B-11; provided that:

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

18 (B) Of the \$79,000,000 allocated:

19 (i) \$1,000,000 shall be allocated for the  
20 operation of a Hawaiian center and the  
21 museum of Hawaiian music and dance; and



1 (ii) 0.5 per cent of the \$79,000,000 shall be  
2 transferred to a sub-account in the tourism  
3 special fund to provide funding for a safety  
4 and security budget, in accordance with the  
5 Hawaii tourism strategic plan 2005-2015; and

6 (C) Of the revenues remaining in the tourism special  
7 fund after revenues have been deposited as  
8 provided in this paragraph and except for any sum  
9 authorized by the legislature for expenditure  
10 from revenues subject to this paragraph,  
11 beginning July 1, 2007, funds shall be deposited  
12 into the tourism emergency special fund,  
13 established in section 201B-10, in a manner  
14 sufficient to maintain a fund balance of  
15 \$5,000,000 in the tourism emergency special fund;

16 (4) \$103,000,000 shall be allocated as follows: Kauai  
17 county shall receive 14.5 per cent, Hawaii county  
18 shall receive 18.6 per cent, city and county of  
19 Honolulu shall receive 44.1 per cent, and Maui county  
20 shall receive 22.8 per cent; provided that commencing  
21 with fiscal year 2018-2019, a sum that represents the



1 difference between a county public employer's annual  
2 required contribution for the separate trust fund  
3 established under section 87A-42 and the amount of the  
4 county public employer's contributions into that trust  
5 fund shall be retained by the state director of  
6 finance and deposited to the credit of the county  
7 public employer's annual required contribution into  
8 that trust fund in each fiscal year, as provided in  
9 section 87A-42, if the respective county fails to  
10 remit the total amount of the county's required annual  
11 contributions, as required under section 87A-43; [and]

12 (5) \$3,000,000 shall be allocated to the special land and  
13 development fund established under section 171-19;  
14 provided that the allocation shall be expended in  
15 accordance with the Hawaii tourism authority strategic  
16 plan for:

- 17 (A) The protection, preservation, maintenance, and  
18 enhancement of natural resources, including  
19 beaches, important to the visitor industry;
- 20 (B) Planning, construction, and repair of facilities;  
21 and



1 (C) Operation and maintenance costs of public lands,  
2 including beaches, connected with enhancing the  
3 visitor experience[-]; and

4 (6) Beginning on July 1, 2020, \$ shall be  
5 allocated to the tourism special fund established by  
6 section 201B-11; provided that the Hawaii tourism  
7 authority shall use the funds, in conjunction with the  
8 Hawaii Lodging and Tourism Association, to address  
9 homelessness in tourist and resort areas; provided  
10 further that no funds shall be released unless matched  
11 dollar-for-dollar by the private sector; provided  
12 further that the Hawaii tourism authority and Hawaii  
13 Lodging and Tourism Association shall consult with the  
14 Hawaii interagency council on homelessness prior to  
15 awarding funds for projects addressing homelessness.

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



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

4 SECTION 3. The Hawaii tourism authority shall submit a  
5 report to the legislature no later than twenty days prior to the  
6 convening of the regular session of 2021, which shall include:

7 (1) The current status of any initiative implemented in  
8 conjunction with the Hawaii Lodging and Tourism  
9 Association during the three-year period prior to the  
10 date of the report to address homelessness in tourist  
11 and resort areas, including the costs thereof, source  
12 of funding, and participating entities; and

13 (2) The current status of any plans to implement future  
14 initiatives, in conjunction with the Hawaii Lodging  
15 and Tourism Association, to address homelessness in  
16 tourist and resort areas, including the estimated  
17 costs thereof, potential sources of funding other than  
18 legislative appropriations, and anticipated  
19 participating entities.

20 SECTION 4. There is appropriated out of the tourism  
21 special fund the sum of \$ or so much thereof as may be



1 necessary for fiscal year 2020-2021 for the Hawaii tourism  
2 authority, in conjunction with the Hawaii Lodging and Tourism  
3 Association, to address homelessness in tourist and resort  
4 areas; provided that no funds shall be made available unless  
5 matched dollar-for-dollar by the private sector.

6 The sum appropriated shall be expended by the Hawaii  
7 tourism authority for the purposes of this Act.

8 SECTION 5. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 6. This Act shall take effect on July 1, 2099.



**Report Title:**

Transient Accommodations; Tax Revenue Allocation; Hawaii Tourism Authority; Homelessness; Appropriation

**Description:**

Allocates TAT revenues into the tourism special fund and appropriates funds for the Hawaii tourism authority (HTA) and Hawaii Lodging and Tourism Association to address homelessness in tourist and resort areas, subject to private matching funds. Requires HTA and the Hawaii Lodging and Tourism Association to consult with the Hawaii Interagency Council on Homelessness prior to awarding funds for projects addressing homelessness. Requires HTA to report to the 2021 legislature. Effective 7/1/2009. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

