
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. 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
16 resources important to the State, until the bonds are
17 fully amortized;



- 1 (2) \$16,500,000 shall be allocated to the convention
2 center enterprise special fund established under
3 section 201B-8;
- 4 (3) \$79,000,000 shall be allocated to the tourism special
5 fund established under section 201B-11; provided that:
- 6 (A) Beginning on July 1, 2012, and ending on June 30,
7 2015, \$2,000,000 shall be expended from the
8 tourism special fund for development and
9 implementation of initiatives to take advantage
10 of expanded visa programs and increased travel
11 opportunities for international visitors to
12 Hawaii;
- 13 (B) Of the \$79,000,000 allocated:
- 14 (i) \$1,000,000 shall be allocated for the
15 operation of a Hawaiian center and the
16 museum of Hawaiian music and dance; and
- 17 (ii) 0.5 per cent of the \$79,000,000 shall be
18 transferred to a sub-account in the tourism
19 special fund to provide funding for a safety
20 and security budget, in accordance with the
21 Hawaii tourism strategic plan 2005-2015; and



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

11 (4) [~~\$103,000,000 shall be allocated as follows: Kauai~~
12 ~~county shall receive 14.5 per cent, Hawaii county~~
13 ~~shall receive 18.6 per cent, city and county of~~
14 ~~Honolulu shall receive 44.1 per cent, and Maui county~~
15 ~~shall receive 22.8 per cent;] The amount necessary as
16 certified by the director of finance to reimburse the
17 counties for the costs expended by the counties for
18 the provision of public services as specified in this
19 paragraph; provided that the amounts reimbursed to
20 each county shall not exceed the following amounts:
21 \$ _____ for the county of Kauai, \$ _____ for~~



1 the county of Hawaii, \$ for the city and
2 county of Honolulu, and \$ for the county of
3 Maui. To receive the reimbursement, a county shall
4 apply for the reimbursement within ninety days after
5 the expenditure of county funds; provided that failure
6 to comply with this provision shall constitute a
7 waiver of the right to claim a reimbursement. The
8 director of finance shall prepare forms as may be
9 necessary to claim the reimbursement. The director of
10 finance may require a county to furnish information to
11 ascertain the validity of the claim for reimbursement
12 under this paragraph and may adopt rules necessary to
13 effectuate the purpose of this paragraph pursuant to
14 chapter 91; provided that commencing with fiscal year
15 2018-2019, a sum that represents the difference
16 between a county public employer's annual required
17 contribution for the separate trust fund established
18 under section 87A-42 and the amount of the county
19 public employer's contributions into that trust fund
20 shall be retained by the state director of finance and
21 deposited to the credit of the county public



1 employer's annual required contribution into that
2 trust fund in each fiscal year, as provided in section
3 87A-42, if the respective county fails to remit the
4 total amount of the county's required annual
5 contributions, as required under section 87A-43 [†
6 and]. Each county may claim reimbursements for
7 expenditures of county funds for:

8 (A) The enforcement of county ordinances relating to
9 transient accommodations;

10 (B) Establishing, operating, and maintaining public
11 mass transportation;

12 (C) Providing grants for county cesspool conversion
13 programs affecting natural resources;

14 (D) Establishing, implementing, and updating, in
15 coordination with the Hawaii tourism authority,
16 county visitor industry strategic plans and
17 priorities; and

18 (E) Providing ocean safety programs, including
19 infrastructure and equipment, such as lifeguard
20 towers, swim buoys, and video cameras, staffing



1 and operating costs, and education and visitor
2 awareness; and

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

8 (A) The protection, preservation, maintenance, and
9 enhancement of natural resources, including
10 beaches, important to the visitor industry;

11 (B) Planning, construction, and repair of facilities;
12 and

13 (C) Operation and maintenance costs of public lands,
14 including beaches, connected with enhancing the
15 visitor experience.

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 2. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so
6 much thereof as may be necessary for fiscal year 2020-2021 to
7 the department of budget and finance for costs and expenses
8 incurred in the development, implementation, or support,
9 including operational costs and costs for necessary staffing,
10 needed to effectuate this Act.

11 The sum appropriated shall be expended by the department of
12 budget and finance for the purposes of this Act.

13 SECTION 3. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect on July 1, 2099.



Report Title:

Transient Accommodations Tax; Counties; Reimbursement;
Appropriation

Description:

Amends the amount of transient accommodations tax revenues allocated to the counties from a specified sum to capped reimbursements to the county for expenditures related to specified county public services. Appropriates funds to the department of budget and finance for costs and expenses incurred in the development, implementation, or support, including operational costs and costs for necessary staffing, needed to effectuate this measure. Effective 7/1/2099. (HD1)

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

