
A BILL FOR AN ACT

RELATING TO TOURISM.

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

1 SECTION 1. The legislature finds that tourism is an
2 essential aspect of our state economy. Increasing on-island
3 travel options for island visitors will help promote
4 sustainability by alleviating emissions and traffic caused by
5 car rentals. The purpose of this Act is to provide more on-
6 island travel options for visitors by allocating transient
7 accommodations tax revenues to assist counties in providing bus
8 routes between popular tourist destinations and the airport.

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

11 "(b) Except for the revenues collected pursuant to section
12 237D-2(e), revenues collected under this chapter shall be
13 distributed in the following priority, with the excess revenues
14 to be deposited into the general fund:

15 (1) \$1,500,000 shall be allocated to the Turtle Bay
16 conservation easement special fund beginning July 1,
17 2015, for the reimbursement to the state general fund



1 of debt service on reimbursable general obligation
2 bonds, including ongoing expenses related to the
3 issuance of the bonds, the proceeds of which were used
4 to acquire the conservation easement and other real
5 property interests in Turtle Bay, Oahu, for the
6 protection, preservation, and enhancement of natural
7 resources important to the State, until the bonds are
8 fully amortized;

9 (2) \$16,500,000 shall be allocated to the convention
10 center enterprise special fund established under
11 section 201B-8;

12 (3) \$79,000,000 shall be allocated to the tourism special
13 fund established under section 201B-11; provided that:

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

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



- 1 (i) \$1,000,000 shall be allocated for the
- 2 operation of a Hawaiian center and the
- 3 museum of Hawaiian music and dance at the
- 4 Hawaii convention center; [~~and~~]
- 5 (ii) 0.5 per cent of the \$79,000,000 shall be
- 6 transferred to a sub-account in the tourism
- 7 special fund to provide funding for a safety
- 8 and security budget, in accordance with the
- 9 Hawaii tourism strategic plan 2005-2015; and
- 10 (iii) \$ _____ shall be allocated to assist
- 11 counties with a population less than 500,000
- 12 in providing bus routes, with buses equipped
- 13 with baggage handling capabilities, between
- 14 popular tourist destinations and the
- 15 airport; and
- 16 (C) Of the revenues remaining in the tourism special
- 17 fund after revenues have been deposited as
- 18 provided in this paragraph and except for any sum
- 19 authorized by the legislature for expenditure
- 20 from revenues subject to this paragraph,
- 21 beginning July 1, 2007, funds shall be deposited



1 into the tourism emergency special fund,
2 established in section 201B-10, in a manner
3 sufficient to maintain a fund balance of
4 \$5,000,000 in the tourism emergency special fund;
5 (4) \$103,000,000 shall be allocated as follows: Kauai
6 county shall receive 14.5 per cent, Hawaii county
7 shall receive 18.6 per cent, city and county of
8 Honolulu shall receive 44.1 per cent, and Maui county
9 shall receive 22.8 per cent; provided that commencing
10 with fiscal year 2018-2019, a sum that represents the
11 difference between a county public employer's annual
12 required contribution for the separate trust fund
13 established under section 87A-42 and the amount of the
14 county public employer's contributions into that trust
15 fund shall be retained by the state director of
16 finance and deposited to the credit of the county
17 public employer's annual required contribution into
18 that trust fund in each fiscal year, as provided in
19 section 87A-42, if the respective county fails to
20 remit the total amount of the county's required annual
21 contributions, as required under section 87A-43; and



1 (5) \$3,000,000 shall be allocated to the special land and
2 development fund established under section 171-19;
3 provided that the allocation shall be expended in
4 accordance with the Hawaii tourism authority strategic
5 plan for:

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

9 (B) Planning, construction, and repair of facilities;
10 and

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

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

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



1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

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

4

INTRODUCED BY:

Stacy M. Mc

M. A. Ald

[Signature]

Nadine K. Rubin

Col Todd

Col [Signature]

[Signature]

[Signature]

David Carnes

[Signature]

JAN 18 2019



H.B. NO. 399

Report Title:

Transient Accommodations Tax; Counties; Tourism

Description:

Allocates transient accommodations tax revenues to the Hawaii Tourism Authority to counties with a population less than 500,000 in providing bus routes that service popular tourist destinations and the airport.

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

