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# A BILL FOR AN ACT

RELATING TO TAXATION.

**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 planning, design, construction, and  
16 operation of a Hawaiian center and the  
17 museum of Hawaiian music and dance[+] in  
18 Waikiki; and

19 (ii) 0.5 per cent of the \$79,000,000 shall be  
20 transferred to a sub-account in the tourism  
21 special fund to provide funding for a safety



1                   and security budget, in accordance with the  
2                   Hawaii tourism strategic plan 2005-2015; and  
3           (C) Of the revenues remaining in the tourism special  
4           fund after revenues have been deposited as  
5           provided in this paragraph and except for any sum  
6           authorized by the legislature for expenditure  
7           from revenues subject to this paragraph,  
8           beginning July 1, 2007, funds shall be deposited  
9           into the tourism emergency special fund,  
10          established in section 201B-10, in a manner  
11          sufficient to maintain a fund balance of  
12          \$5,000,000 in the tourism emergency special fund;  
13    (4) \$103,000,000 shall be allocated as follows: Kauai  
14          county shall receive 14.5 per cent, Hawaii county  
15          shall receive 18.6 per cent, city and county of  
16          Honolulu shall receive 44.1 per cent, and Maui county  
17          shall receive 22.8 per cent; provided that commencing  
18          with fiscal year 2018-2019, a sum that represents the  
19          difference between a county public employer's annual  
20          required contribution for the separate trust fund  
21          established under section 87A-42 and the amount of the



1 county public employer's contributions into that trust  
2 fund shall be retained by the state director of  
3 finance and deposited to the credit of the county  
4 public employer's annual required contribution into  
5 that trust fund in each fiscal year, as provided in  
6 section 87A-42, if the respective county fails to  
7 remit the total amount of the county's required annual  
8 contributions, as required under section 87A-43; and  
9 (5) \$3,000,000 shall be allocated to the special land and  
10 development fund established under section 171-19;  
11 provided that the allocation shall be expended in  
12 accordance with the Hawaii tourism authority strategic  
13 plan for:  
14 (A) The protection, preservation, maintenance, and  
15 enhancement of natural resources, including  
16 beaches, important to the visitor industry;  
17 (B) Planning, construction, and repair of facilities;  
18 and  
19 (C) Operation and maintenance costs of public lands,  
20 including beaches, connected with enhancing the  
21 visitor experience.



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

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

8 SECTION 2. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect on July 1, 2021.



**Report Title:**

Transient Accommodations Tax; Hawaiian Music and Dance

**Description:**

Specifies that the \$1,000,000 of transient accommodations tax revenues currently allocated to operate a Hawaiian center and the museum of Hawaiian music and dance may also be used to plan, design, and construct these facilities at an unspecified location. Identifies Waikiki as the future location for the Hawaiian center and museum of Hawaiian music and dance. (SD1)

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

