

STAND. COM. REP. NO.

489

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 1023
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Labor, Culture and the Arts, to which was referred S.B. No. 1023 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

beg leave to report as follows:

The purpose and intent of this measure is to require a certain percentage of the Transient Accommodations Tax to be allocated to provide funding for the Bishop Museum and Iolani Palace.

Your Committees received testimony in support of this measure from the Oahu Economic Development Board, Bishop Museum, Iolani Palace, Aloha State Services, Historic Hawai'i Foundation, Hawai'i Arts Alliance, and seven individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources and Tax Foundation of Hawaii.

Your Committees find that the Bishop Museum stewards more than twenty-five million catalogued objects and includes over one million cultural artifacts representing Native Hawaiian, Pacific Island, and Hawaii immigrant life. Your Committees also find that the Bishop Museum offers science and cultural educational programs to thousands of Hawaii's schoolchildren each year and through its work it also actively supports tourism and economic development.



Your Committees further find that the Iolani Palace is the only royal palace in the United States and due to its intrinsic value as a significant historic building, it serves a poignant role representing the Hawaiian monarchy. Your Committees also find that the tourism industry has depicted Iolani Palace as an enticing backdrop for marketing and is a popular tourism venue.

Your Committees also recognize that during the coronavirus disease 2019 (COVID-19) pandemic, both the Bishop Museum and Iolani Palace suffered a substantial loss of revenue due to the lack of visitors and events. Accordingly, your Committees believe that applying a fixed amount of the Transient Accommodations Tax to the Bishop Museum and Iolani Palace will provide a stable funding source for their continued operation and enable the preservation of the valuable and precious antiquities of Hawaii's history.

Your Committees have amended this measure by:

- (1) Requiring a fixed amount of \$750,000, instead of applying a certain percentage, of the Transient Accommodations Tax to be allocated to the Iolani Palace; and
- (2) Requiring a fixed amount of \$1,500,000, instead of applying a certain percentage, of the Transient Accommodations Tax to be allocated to the Bishop Museum.

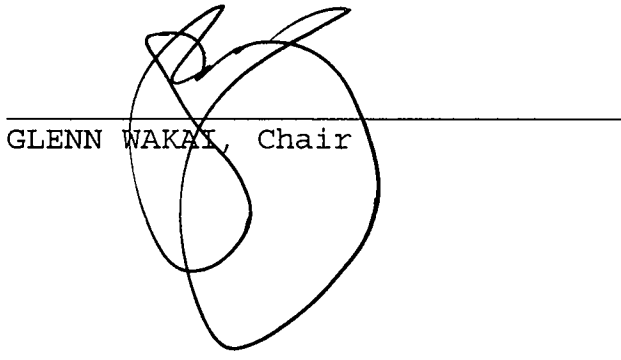
As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Labor, Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1023, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1023, 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
Labor, Culture and the Arts,



BRIAN T. TANIGUCHI, Chair

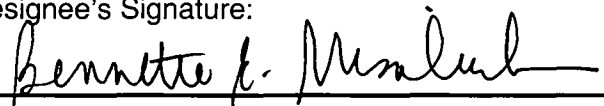


GLENN WAKAI, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

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

Bill / Resolution No.:* SB 1023	Committee Referral: EET/LCA, WAM	Date: 2/12/21		
<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)	✓			
MISALUCHA, Bennette E. (VC)	/			
LEE, Chris	/			
RIVIERE, Gil	/			
FEVELLA, Kurt	/			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Only one measure per Record of Votes

The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Labor, Culture and the Arts
LCA

Bill / Resolution No.:* <i>SB 1023</i>	Committee Referral: <i>EET/LCA, WAM</i>	Date: <i>2/12/21</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
TANIGUCHI, Brian T. (C)	✓			
IHARA, Jr., Les (VC)	✓			
CHANG, Stanley	✓			
KEOHOKALOLE, Jarrett				✓
FEVELLA, Kurt	✓			
TOTAL	<i>4</i>	<i>0</i>	<i>0</i>	<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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