

Honolulu, Hawaii

MAR 01 , 2024

RE: H.B. No. 2406  
H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2406, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FINANCES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises;
- (2) Levy an additional \$25 tax on transient accommodations; and
- (3) Narrow the Transient Accommodations Tax exemption for accommodations furnished at no charge or on a complimentary or gratuitous basis to accommodations for the purpose of providing emergency housing to persons displaced as a result of a state of emergency or state disaster.

Your Committee received testimony in support of this measure from the Office of the Governor; Hyperspective; Hawai'i Green Infrastructure Authority; Trust for Public Land; Democratic Party



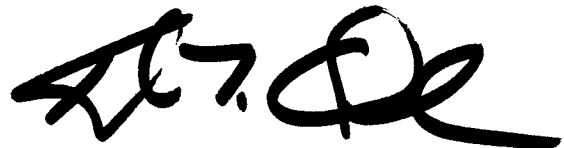
of Hawai'i; Citizens' Climate Lobby Hawaii; Kauai Climate Action Coalition; Care for 'Āina Now Coalition; Wild Kids; Surfrider Foundation Hawaii; Kua'āina Ulu 'Auamo; Hawai'i Land Trust; Climate Protectors Hawaii; Hawaii Reef and Ocean Coalition; Kupu; The Nature Conservancy; Ocean Preservation Society; Keiko Conservation; and numerous individuals. Your Committee received testimony in opposition to this measure from the Kohala Coast Resort Association; Grassroot Institute of Hawaii; Maui Hotel & Lodging Association; Hawai'i Lodging & Tourism Association; and six individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources; Department of Taxation; Hawai'i Climate Change Mitigation and Adaption Commission; Hawai'i Tourism Authority; Tax Foundation of Hawaii; Starn, O'Toole, Marcus & Fisher; and Maui Chamber of Commerce.

Your Committee has amended this measure by:

- (1) Changing the number of positions in the Department of Land and Natural Resources to an unspecified number; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2406, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2406, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



KYLE T. YAMASHITA, Chair



**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> HB 2406 HD1	<b>Committee Referral:</b> EEP, FIN	<b>Date:</b> 02/23/2024		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	✓			
2. KITAGAWA, Lisa (VC)	✓			
3. AIU, Micah P.K.		✓		
4. CHUN, Cory M.	✓			
5. COCHRAN, Elle				✓
6. GARRETT, Andrew Takuya				✓
7. KAHALOA, Kirstin		✓		
8. KILA, Darius K.				✓
9. KOBAYASHI, Bertrand			✓	
10. LAMOSAO, Rachele F.	✓			
11. MORIKAWA, Dee	✓			
12. NISHIMOTO, Scott Y.	✓			
13. POEPOE, Mahina	✓			
14. TAKENOUCI, Jenna	✓			
15. ALCOS III, David	✓			
16. WARD, Gene		✓		
<b>TOTAL (16)</b>	9	3	1	3
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				