

STAND. COM. REP. NO. **2846**

Honolulu, Hawaii

**MAR 01 2024**

RE: S.B. No. 2831  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2831 entitled:

"A BILL FOR AN ACT RELATING TO THE COUNTY TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to assist in the collection of county transient accommodations taxes.

More specifically, this measure authorizes the Department of Taxation to assist a requesting county in levying, assessing, collecting, and otherwise administering the county transient accommodations tax, including delinquencies and penalties, for a two-year period beginning January 1, 2025.

Your Committee received testimony in support of this measure from the Maui County Mayor, Maui County Council, and Maui Chamber of Commerce.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, in the wake of the August 2023 Maui wildfires, the County of Maui is facing unanticipated revenue shortfalls, including in tax collections. Your Committee also finds that, due to understaffing, the County of Maui has



experienced significant delinquencies in collection of the county transient accommodations tax. Your Committee further finds that temporary assistance from the Department of Taxation in the collection of the county transient accommodations tax would allow the County of Maui to clear the existing backlog while it hires and trains needed personnel.

Your Committee has amended this measure by:

- (1) Clarifying the conditions under which the Department of Taxation is authorized to assist a county in levying, assessing, collecting, and otherwise administering the county transient accommodations tax;
- (2) Changing the period that the Department of Taxation is authorized to assist a county in levying, assessing, collecting, and otherwise administering the county transient accommodations tax, from two years to six years;
- (3) Specifying the purposes for which a county assisted under this measure may use the tax revenues collected;
- (4) Appropriating moneys to the Department of Taxation to assist a county in levying, assessing, collecting, and otherwise administering the county transient accommodations tax; and
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2831, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2831, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes  
 Committee on Ways and Means  
 WAM**

Bill / Resolution No.:* <b>SB 2831</b>	Committee Referral: <b>WAM</b>	Date: <b>2/28/24</b>		
<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
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>12</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: _____				
<b>Distribution:</b> Original                                  Yellow                                  Pink                                  Goldenrod File with Committee Report    Clerk's Office                  Drafting Agency                  Committee File Copy				

**\*Only one measure per Record of Votes**