

STAND. COM. REP. NO. 1047-24

Honolulu, Hawaii

MAR 01, 2024

RE: H.B. No. 2081  
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. 2081, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the Transient Accommodations Tax rate to 10.25 percent;
- (2) Require an additional \$50 Transient Accommodation Tax to be levied per night for each furnishing of a transient accommodation; and
- (3) Appropriate funds for the Department of Land and Natural Resources for the protection, management, and restoration of the State's natural resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Hyperspective; Trust for Public Land; Democratic Party of Hawai'i; Citizens' Climate Lobby Hawai'i; Care for 'Āina Now Coalition; Wild Kids Hawai'i; Surfrider Foundation, Hawai'i Region; Kua'āina Ulu 'Auamo; Kupu; The Nature Conservancy, Hawai'i and Palmyra; Oceanic Preservation Society; and nine individuals. Your Committee

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received testimony in opposition to this measure from the Kohala Coast Resort Association; Kama'āina Occupied Short Term Rentals O'ahu; Grassroot Institute of Hawaii; American Resort Development Association - Hawai'i; Maui Hotel & Lodging Association; Hawai'i Lodging & Tourism Association; Maui Chamber of Commerce; Coral Tree Residences Collection; and numerous individuals. Your Committee received comments on this measure from the Office of the Governor; Hawai'i Tourism Authority; Department of Taxation; Tax Foundation of Hawaii; and one individual.

Your Committee has amended this measure by:

- (1) Adding a \$10,000 per day penalty for nonpayment of Transient Accommodation Tax;
- (2) Amending the additional \$50 Transient Accommodation Tax to a \$20 tax per night for the furnishing of a transient accommodation in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program;
- (3) Changing the base Transient Accommodations Tax rate and temporarily increased rate to unspecified rates; and
- (4) 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. 2081, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2081, H.D. 2.

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



KYLE T. YAMASHITA, Chair



