

STAND. COM. REP. NO.

669

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 504  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committees on Tourism and Water & Land, to which was referred H.B. No. 504 entitled:

"A BILL FOR AN ACT RELATING TO ENVIRONMENTAL STEWARDSHIP,"

beg leave to report as follows:

The purpose of this measure is to increase the transient accommodations tax to establish a source of revenue for environmental stewardship, to be implemented through additional funding to the Department of Land and Natural Resources.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawai'i Climate Change Mitigation and Adaptation Commission; Kua'āina Ulu 'Auamo; Malama Maunaloa; Care for 'Āina Now Coalition; Makahanaloa Fishing Association; Resources Legacy Fund; Hawai'i Land Trust; Hawai'i Ocean Legislative Task Force; Hawai'i Reef and Ocean Coalition; Climate Protectors Hawai'i; Mālama Learning Center; Mālama Pūpūkea-Waimea; Council for Native Hawaiian Advancement; The Nature Conservancy - Hawai'i and Palmyra; Sustainable Coastlines Hawai'i; Kupu; Ho'ōla Farms; and numerous individuals. Your Committees received testimony in opposition to this measure from the Kohala Coast Resort Association; Grassroot Institute of Hawaii; Maui Chamber of Commerce; and numerous individuals. Your Committees

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received comments on this measure from the Department of Taxation; Hawai'i Tourism Authority; and Tax Foundation of Hawaii.

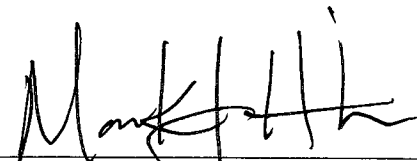
Your Committees find that a modest, reasonable increase in the transient accommodations tax can generate sorely needed funding to support the restoration of the State's valuable natural resources, help prevent and respond to the climate crisis, and leave a strengthened environmental legacy for future generations.

Your Committees have amended this measure by:

- (1) Having the new rates for the transient accommodations tax take effect on January 1, 2027;
- (2) Having the tax per night on each furnishing of a transient accommodation in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program take effect on January 1, 2027;
- (3) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Tourism and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 504, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 504, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Tourism and Water  
& Land,

  
MARK J. HASHEM, Chair

  
ADRIAN K. TAM, Chair



Record of Votes of the Committee on Tourism

Bill/Resolution No.: <b>HB 504,</b>	Committee Referral: <b>TOU/WAL, FIN</b>	Date: <b>02/13/25</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <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)				
TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. TAM, Adrian K. (C)	✓			
2. TEMPLO, Shirley Ann (VC)	✓			
3. HOLT, Daniel				✓
4. HUSSEY, Ikaika				✓
5. ILAGAN, Greggor	✓			
6. TODD, Chris	✓			
7. MATSUMOTO, Lauren				✓
<b>TOTAL (7)</b>	<b>4</b>			<b>3</b>
The recommendation is: <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>				
Vice Chair's or designee's signature: <u><i>Shirley Ann Templo</i></u>				
Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				

**Record of Votes of the Committee on Water & Land**

<b>Bill/Resolution No.:</b> HB 504	<b>Committee Referral:</b> TOU/WAL, FIN	<b>Date:</b> 2/13/2025		
<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)				
WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. HASHEM, Mark J. (C)	✓			
2. LAMOSAO, Rachele F. (VC)	✓			
3. BELATTI, Della Au				✓
4. ICHIYAMA, Linda	✓			
5. IWAMOTO, Kim Coco	✓			
6. MORIKAWA, Dee	✓			
7. POEPOE, Mahina	✓			
8. WOODSON, Justin H.				✓
9. SHIMIZU, Garner M.		✓		
10. SOUZA, Kanani	✓			
<b>TOTAL (10)</b>	<b>7</b>	<b>1</b>		<b>2</b>
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 300px;">committee acronym(s)</small>				
<b>Vice Chair's or designee's signature:</b> _____ 				
<b>Distribution:</b> Original (White) – Committee             Duplicate (Yellow) – Chief Clerk's Office             Duplicate (Pink) – HMSO				