

STAND. COM. REP. NO. 2673

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2114  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2114 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to provide for the allocation of transient accommodations tax revenues to the Convention Center Enterprise Special Fund on a fiscal year basis, instead of a calendar year basis.

Written comments in support of this measure were submitted by the Hawaii Tourism Authority.

Your Committee finds that the amount of the transient accommodations tax revenue allocated for the Convention Center Enterprise Special Fund is limited to \$33,000,000 per calendar year. A problem arises as a result of the limits on the deposits into the special fund because the limit is applied on a calendar year basis, but expenditures from the fund are made on a fiscal year basis. In some years, the \$33,000,000 limit is achieved in the third month of the fiscal year, October, and no further revenues are deposited into the fund until the new calendar year. This results in a short-fall in the fund's ability to pay the debt service for the convention center.

Your Committee has amended this measure by:



- (1) Providing that any unexpended and unencumbered moneys, as determined by the Hawaii Tourism Authority to be in excess of any unencumbered reserve remaining in the convention center enterprise special fund at the close of the fiscal year 2011-2012, may be expended by the Authority for repair and maintenance projects of the Hawaii Convention Center; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

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. 2114, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2114, S.D. 1.

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

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

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

|  |  |                         |          |          |
|--|--|-------------------------|----------|----------|
| Bill / Resolution No.:*<br><b>SB 2114</b>  | Committee Referral:<br><b>TSM, WAM</b> | Date:<br><b>2-27-12</b> |          |          |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |          |          |
| The Recommendation is:<br><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  |
| IGE, David Y. (C)  | ✓                                      |                         |          |          |
| KIDANI, Michelle N. (VC)   | ✓                                      |                         |          |          |
| CHUN OAKLAND, Suzanne  | ✓                                      |                         |          |          |
| DELA CRUZ, Donovan M.  |  |                         |          | ✓        |
| ENGLISH, J. Kalani   | ✓                                      |                         |          |          |
| ESPERO, Will   | ✓                                      |                         |          |          |
| FUKUNAGA, Carol  | ✓                                      |                         |          |          |
| KIM, Donna Mercado   | ✓                                      |                         |          |          |
| KAHELE, Gilbert  | ✓                                      |                         |          |          |
| KOUCHI, Ronald D.  | ✓                                      |                         |          |          |
| RYAN, Pohai  | ✓                                      |                         |          |          |
| TOKUDA, Jill N.  | ✓                                      |                         |          |          |
| WAKAI, Glenn   | ✓                                      |                         |          |          |
| SLOM, Sam  | ✓                                      |                         |          |          |
|  |  |                         |          |          |
|  |  |                         |          |          |
|  |  |                         |          |          |
|  |  |                         |          |          |
| <b>TOTAL</b>   | <b>13</b>                              | <b>0</b>                | <b>0</b> | <b>1</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |          |          |
| Chair's or Designee's Signature:<br><div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>   |  |                         |          |          |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy   |  |                         |          |          |

\*Only one measure per Record of Votes