

MAR 06 2012

SENATE RESOLUTION

URGING THE GOVERNOR TO TRANSFER THE FUNCTIONS OF THE HAWAII
TOURISM AUTHORITY TO THE DEPARTMENT OF BUSINESS, ECONOMIC
DEVELOPMENT, AND TOURISM, ELIMINATE DISTRIBUTION OF
TRANSIENT ACCOMMODATIONS TAX REVENUE TO THE COUNTIES, AND
AUTHORIZE EACH COUNTY TO ASSESS A COUNTY TOURISM TAX
SURCHARGE.

1 WHEREAS, Act 156, Session Laws of Hawaii 1998, established
2 the Hawaii Tourism Authority as a public instrumentality of the
3 State and placed the agency within the Department of Business,
4 Economic Development, and Tourism for administrative purposes
5 only; and
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7 WHEREAS, as the Hawaii economy struggles to regain losses
8 sustained during the global economic downturn, greater
9 efficiencies and focused expenditures would be achieved if the
10 functions of the Hawaii Tourism Authority were once again
11 provided by the Department of Business, Economic Development,
12 and Tourism, as they were prior to Act 156 (1998); and
13

14 WHEREAS, prior to the establishment of the Hawaii Tourism
15 Authority, the Department of Business, Economic Development, and
16 Tourism was successful in emphasizing "tourism" in the agency's
17 name to reflect the priority the State placed on the industry;
18 and
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20 WHEREAS, the Department of Business, Economic Development,
21 and Tourism was effective in meeting the challenges during
22 previous difficult international economic periods and economic
23 recessions, and demonstrated the ability to respond quickly to
24 problems, the flexibility to create programs that addressed the
25 needs of the industry and market, and the support of the
26 administration and Legislature; and
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28 WHEREAS, the counties have also demonstrated the ability to
29 respond to challenging times, direct tourism-related marketing
30 campaigns, and initiate projects and activities specific to
31 their respective needs and goals; and
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1 WHEREAS, although Act 195, Session Laws of Hawaii 1990,
 2 established provisions to distribute a share of the transient
 3 accommodations tax to the counties, this body finds that in lieu
 4 of the distribution, counties should be authorized to assess a
 5 tourism tax surcharge to become more fiscally self-sufficient to
 6 meet their needs; now, therefore,
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8 BE IT RESOLVED by the Senate of the Twenty-sixth
 9 Legislature of the State of Hawaii, Regular Session of 2012,
 10 that the Governor is urged to transfer the functions of the
 11 Hawaii Tourism Authority to the Department of Business, Economic
 12 Development, and Tourism; and
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14 BE IT FURTHER RESOLVED that the Governor is also urged to
 15 eliminate distribution of transient accommodations tax revenue
 16 to the counties and authorize each county to assess a county
 17 tourism tax surcharge; and
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19 BE IT FURTHER RESOLVED that the Governor is requested to
 20 report to the Legislature no later than twenty days prior to the
 21 convening of the Regular Session of 2013, on:
 22

- 23 (1) The status of the transfer of the Hawaii Tourism
 24 Authority to the Department of Business, Economic
 25 Development, and Tourism;
 26
- 27 (2) The status of the elimination of the distribution of
 28 transient accommodations tax revenue to the counties
 29 and the authorization for each county to assess a
 30 county tourism tax surcharge; and
 31
- 32 (3) Any recommendations for legislation necessary to
 33 accomplish paragraphs (1) and (2); and
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35 BE IT FURTHER RESOLVED that certified copies of this
 36 Resolution be transmitted to the Governor, Director of Business,
 37 Economic Development, and Tourism, Executive Director of Hawaii
 38 Tourism Authority, and the Mayors of the Counties of Hawaii,
 39 Honolulu, Kauai, and Maui.
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 41
 42

OFFERED BY: *Malama Ikin*
Donna Williams

