

MAR 09 2018

SENATE RESOLUTION

REQUESTING THE GOVERNOR AND LEGISLATURE TO CONVENE A JOINT TASK
FORCE TO IDENTIFY AND EXAMINE POTENTIAL SOURCES OF
INCREASED REVENUE AND MEASURES TO REDUCE STATE COSTS.

1 WHEREAS, it is critical for the State to have a stable
2 financial plan for current and future fiscal years; and
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4 WHEREAS, the State continues to rely on budgeted
5 carryovers, federal reimbursements, and restrictions on
6 discretionary funds to balance the state budget; and
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8 WHEREAS, there needs to be more emphasis on state funding
9 of government programs; and
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11 WHEREAS, the State is currently not collecting revenue from
12 potential revenue sources, such as:
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14 (1) Transient accommodations taxes and general excise
15 taxes from illegal transient vacation rentals;
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17 (2) Transient accommodations taxes from hotel resort fees;
18 and
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20 (3) Transient accommodations taxes from online transient
21 accommodation intermediaries; and
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23 WHEREAS, the State should consider increasing revenue
24 generated from various sources, such as:
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26 (1) Increasing the conveyance tax rates for residential
27 investment properties with a value of at least
28 \$2,000,000;
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30 (2) Increasing the taxes withheld on the amount realized
31 by nonresidents from the disposition of the State's
32 real property from five to nine percent; and
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34 (3) Amending the formula for the amount of transient
35 accommodations tax to be collected from time shares by



1 increasing the base amount on which time share
2 occupancy is taxed from the existing formula of one-
3 half of the gross daily maintenance fees paid by the
4 owner and are attributable to the time share unit;
5 now, therefore,
6

7 BE IT RESOLVED by the Senate of the Twenty-ninth
8 Legislature of the State of Hawaii, Regular Session of 2018,
9 that the Governor and Legislature are requested to convene a
10 joint task force to identify ways to:

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- 12 (1) Collect uncollected revenues;
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 - 14 (2) Generate revenue by enacting tax measures that have
15 minimal impact on families with low- and moderate-
16 incomes; and
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 - 18 (3) Reduce costs by re-describing positions and
19 eliminating unnecessary vacancies in various state
20 departments and agencies; and
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22 BE IT FURTHER RESOLVED that the task force be composed of:

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- 24 (1) The Chair of the Senate Committee on Ways and Means or
25 the Chair's designee;
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 - 27 (2) The Chair of the House of Representatives Committee on
28 Finance or the Chair's designee; and
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 - 30 (3) A representative from the Office of the Governor,
31 designated by the Governor; and
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33 BE IT FURTHER RESOLVED that the Governor is requested to
34 share the Governor's six-year financial plan with the
35 Legislature no later than twenty days prior to the convening of
36 each regular session; and
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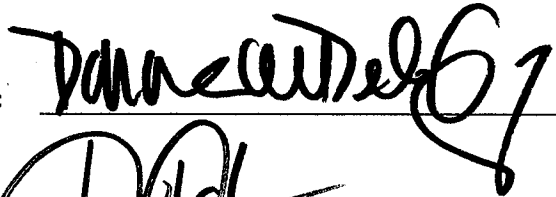
38 BE IT FURTHER RESOLVED that the joint task force is
39 strongly encouraged to meet every fiscal quarter to review and
40 update the financial plan as necessary; and
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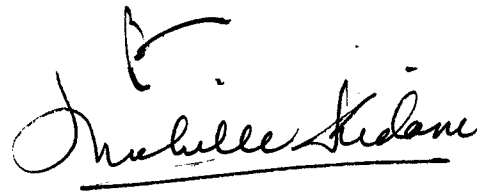
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1 BE IT FURTHER RESOLVED that certified copies of this
2 Resolution be transmitted to the Governor, President of the
3 Senate, and Speaker of the House of Representatives.
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OFFERED BY:



Clarence K. Kestel



Michelle Kidani

