

Honolulu, Hawaii

MARCH 2, 2018

RE: H.B. No. 2010
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2010 entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose of this measure is to address financing issues related to debt, maintenance, and operations of the Hawaii Convention Center by:

- (1) Forgiving the debt owed to the State by the Hawaii Tourism Authority for Convention Center construction costs and related interest;
- (2) Reducing the transient accommodations tax revenue allocation to the Convention Center Enterprise Special Fund;
- (3) Establishing a Convention Center Repair and Maintenance Special Fund and a Convention Center Emergency Special Fund, allocating a portion of transient accommodations tax revenues to these Funds, and requiring the Authority to report on expenditures and balances in these Funds; and



- (4) Increasing the minimum fund balance of the Tourism Emergency Special Fund.

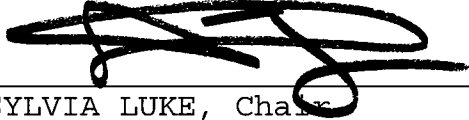
The Hawaii Tourism Authority testified in support of this measure. The Department of Budget and Finance and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the amounts of revenues allocated for the Convention Center Enterprise Special Fund, Convention Center Repair and Maintenance Special Fund, and Convention Center Emergency Special Fund, to unspecified amounts;
- (2) Changing the amount of the minimum fund balance of the Tourism Emergency Special Fund to an unspecified amount; and
- (3) 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. 2010, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2010, H.D. 1.

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



SYLVIA LUKE, Chair



