
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Except for the revenues collected pursuant to section
4 237D-2(e), revenues collected under this chapter shall be
5 distributed in the following priority, with the excess revenues
6 to be deposited into the general fund:

7 (1) \$1,500,000 shall be allocated to the Turtle Bay
8 conservation easement special fund beginning July 1,
9 2015, for the reimbursement to the state general fund
10 of debt service on reimbursable general obligation
11 bonds, including ongoing expenses related to the
12 issuance of the bonds, the proceeds of which were used
13 to acquire the conservation easement and other real
14 property interests in Turtle Bay, Oahu, for the
15 protection, preservation, and enhancement of natural
16 resources important to the State, until the bonds are
17 fully amortized;



- 1 (2) \$26,500,000 shall be allocated to the convention
- 2 center enterprise special fund established under
- 3 section 201B-8;
- 4 (3) \$82,000,000 shall be allocated to the tourism special
- 5 fund established under section 201B-11; provided that:
- 6 (A) Beginning on July 1, 2012, and ending on June 30,
- 7 2015, \$2,000,000 shall be expended from the
- 8 tourism special fund for development and
- 9 implementation of initiatives to take advantage
- 10 of expanded visa programs and increased travel
- 11 opportunities for international visitors to
- 12 Hawaii;
- 13 (B) Of the \$82,000,000 allocated:
- 14 (i) \$1,000,000 shall be allocated for the
- 15 operation of a Hawaiian center and the
- 16 museum of Hawaiian music and dance at the
- 17 Hawaii convention center; and
- 18 (ii) 0.5 per cent of the \$82,000,000 shall be
- 19 transferred to a sub-account in the tourism
- 20 special fund to provide funding for a safety



1 and security budget, in accordance with the
2 Hawaii tourism strategic plan 2005-2015; and
3 (C) Of the revenues remaining in the tourism special
4 fund after revenues have been deposited as
5 provided in this paragraph and except for any sum
6 authorized by the legislature for expenditure
7 from revenues subject to this paragraph,
8 beginning July 1, 2007, funds shall be deposited
9 into the tourism emergency special fund,
10 established in section 201B-10, in a manner
11 sufficient to maintain a fund balance of
12 \$5,000,000 in the tourism emergency special fund;
13 (4) \$103,000,000 shall be allocated as follows: Kauai
14 county shall receive 14.5 per cent, Hawaii county
15 shall receive 18.6 per cent, city and county of
16 Honolulu shall receive 44.1 per cent, and Maui county
17 shall receive 22.8 per cent; provided that commencing
18 with fiscal year 2018-2019, a sum that represents the
19 difference between a county public employer's annual
20 required contribution for the separate trust fund
21 established under section 87A-42 and the amount of the



1 county public employer's contributions into that trust
2 fund shall be retained by the state director of
3 finance and deposited to the credit of the county
4 public employer's annual required contribution into
5 that trust fund in each fiscal year, as provided in
6 section 87A-42, if the respective county fails to
7 remit the total amount of the county's required annual
8 contributions, as required under section 87A-43; ~~and~~
9 (5) \$3,000,000 shall be allocated to the special land and
10 development fund established under section 171-19;
11 provided that the allocation shall be expended in
12 accordance with the Hawaii tourism authority strategic
13 plan for:
14 (A) The protection, preservation, maintenance, and
15 enhancement of natural resources, including
16 beaches, important to the visitor industry;
17 (B) Planning, construction, and repair of facilities;
18 and
19 (C) Operation and maintenance costs of public lands,
20 including beaches, connected with enhancing the
21 visitor experience[-]; and



1 (6) Beginning July 1, 2018, and ending December 31, 2030,
2 in addition to any amounts allocated pursuant to
3 paragraph (4), the following amounts shall be
4 allocated to the counties of Kauai, Hawaii, and Maui:
5 (A) The county of Kauai shall receive \$9,425,000;
6 (B) The county of Hawaii shall receive \$12,090,000;
7 and
8 (C) The county of Maui shall receive \$14,820,000;
9 provided that the moneys allocated pursuant to this
10 paragraph shall be expended on projects authorized
11 under a county's general plan, development plan, or
12 tourism strategic plan. Each county receiving moneys
13 pursuant to this paragraph shall submit to the
14 legislature, no later than twenty days prior to the
15 convening of each regular session, a report that
16 details how the moneys allocated pursuant to this
17 paragraph were expended and the plan under which the
18 expenditure falls.

19 All transient accommodations taxes shall be paid into the
20 state treasury each month within ten days after collection and



1 shall be kept by the state director of finance in special
2 accounts for distribution as provided in this subsection.

3 As used in this subsection, "fiscal year" means the twelve-
4 month period beginning on July 1 of a calendar year and ending
5 on June 30 of the following calendar year."

6 SECTION 2. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 3. This Act shall take effect upon its approval;
9 provided that this Act shall be repealed on December 31, 2030,
10 and section 237D-6.5(b), Hawaii Revised Statutes, shall be
11 reenacted in the form in which it read on the day prior to the
12 effective date of this Act.



Report Title:

Transient Accommodations Tax; Counties

Description:

Allocates additional transient accommodations tax revenues from July 1, 2018 until December 31, 2030 to the counties of Kauai, Hawaii, and Maui. Sunsets 12/31/2030. (SB648 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

