RELATING TO THE STATE OF HAWAII MUSEUM OF NATURAL AND CULTURAL HISTORY.

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

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

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

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

(2) $16,500,000 shall be allocated to the convention
center enterprise special fund established under
section 201B-8;

(3) [$79,000,000] $80,000,000 shall be allocated to the
tourism special fund established under section
201B-11; provided that:

(A) Beginning on July 1, 2012, and ending on June 30,
2015, $2,000,000 shall be expended from the
tourism special fund for development and
implementation of initiatives to take advantage
of expanded visa programs and increased travel
opportunities for international visitors to
Hawaii;

(B) Of the [$79,000,000] $80,000,000 allocated:

(i) $1,000,000 shall be allocated for the
operation of a Hawaiian center and the
museum of Hawaiian music and dance at the
Hawaii convention center; [and]
(ii) $1,500,000 shall be allocated for the operation of the State of Hawaii museum of natural and cultural history; provided that on March 31, 2020, and on March 31 of each year thereafter, the department of business, economic development, and tourism shall calculate an adjusted allocation to be calculated to the nearest dollar using the Honolulu region consumer price index or a successor index as calculated by the United States Department of Labor for the twelve months prior to March 1 of each year; provided further that if in any year the adjustment based on the Honolulu region consumer price index would result in a lower allocation, the allocation shall not be decreased, and the adjusted allocation shall remain at the most recently established allocation amount. Each adjusted allocation calculated under this subsection shall take
effect on July 1 of the same year that the
adjustment is calculated; and

{(iii)} (iii) 0.5 per cent of the [$79,000,000]

$80,000,000 shall be transferred to a sub-
account in the tourism special fund to
provide funding for a safety and security
budget, in accordance with the Hawaii
tourism strategic plan 2005-2015; and

(C) Of the revenues remaining in the tourism special
fund after revenues have been deposited as
provided in this paragraph and except for any sum
authorized by the legislature for expenditure
from revenues subject to this paragraph,
beginning July 1, 2007, funds shall be deposited
into the tourism emergency special fund,
established in section 201B-10, in a manner
sufficient to maintain a fund balance of

$5,000,000 in the tourism emergency special fund;

(4) $103,000,000 shall be allocated as follows: Kauai
county shall receive 14.5 per cent, Hawaii county
shall receive 18.6 per cent, city and county of
Honolulu shall receive 44.1 per cent, and Maui county shall receive 22.8 per cent; provided that commencing with fiscal year 2018-2019, a sum that represents the difference between a county public employer's annual required contribution for the separate trust fund established under section 87A-42 and the amount of the county public employer's contributions into that trust fund shall be retained by the state director of finance and deposited to the credit of the county public employer's annual required contribution into that trust fund in each fiscal year, as provided in section 87A-42, if the respective county fails to remit the total amount of the county's required annual contributions, as required under section 87A-43; and

(5) $3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:
(A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches, important to the visitor industry; (B) Planning, construction, and repair of facilities; and (C) Operation and maintenance costs of public lands, including beaches, connected with enhancing the visitor experience.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection.

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

SECTION 2. There is appropriated out of the tourism special fund of the State of Hawaii the sum of $1,500,000 or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for operation of the State of Hawaii museum of natural and cultural history.
The sums appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

INTRODUCED BY:  

JAN 24 2019
Report Title:
State of Hawaii Museum of Natural and Cultural History; DBEDT; Department of Taxation; Transient Accommodations Tax; Appropriation

Description:
Increases the amount of transient accommodations tax revenues allocated for the tourism special fund. Allocates $1,500,000 of the tourism special fund for the operation of the State of Hawaii Museum of Natural and Cultural History. Requires the Department of Business, Economic Development, and Tourism to calculate an adjusted allocation each year. Appropriates funds.

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