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# A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1           SECTION 1. The purpose of this Act is to allocate funds  
2 from transient accommodations tax revenues to the Hawaii tourism  
3 authority for the implementation of initiatives, in conjunction  
4 with the Hawaii Lodging and Tourism Association and the  
5 governor's coordinator on homelessness, to address homelessness  
6 in tourist and resort areas.

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

9           "(b) Except for the revenues collected pursuant to section  
10 237D-2(e), revenues collected under this chapter shall be  
11 distributed in the following priority, with the excess revenues  
12 to be deposited into the general fund:

13           (1) \$1,500,000 shall be allocated to the Turtle Bay  
14 conservation easement special fund beginning July 1,  
15 2015, for the reimbursement to the state general fund  
16 of debt service on reimbursable general obligation  
17 bonds, including ongoing expenses related to the



1 issuance of the bonds, the proceeds of which were used  
2 to acquire the conservation easement and other real  
3 property interests in Turtle Bay, Oahu, for the  
4 protection, preservation, and enhancement of natural  
5 resources important to the State, until the bonds are  
6 fully amortized;

7 (2) \$16,500,000 shall be allocated to the convention  
8 center enterprise special fund established under  
9 section 201B-8;

10 (3) \$79,000,000 shall be allocated to the tourism special  
11 fund established under section 201B-11; provided that:

12 (A) Beginning on July 1, 2012, and ending on June 30,  
13 2015, \$2,000,000 shall be expended from the  
14 tourism special fund for development and  
15 implementation of initiatives to take advantage  
16 of expanded visa programs and increased travel  
17 opportunities for international visitors to  
18 Hawaii;

19 (B) Of the \$79,000,000 allocated:

20 (i) \$1,000,000 shall be allocated for the  
21 operation of a Hawaiian center and the



1 museum of Hawaiian music and dance at the  
2 Hawaii convention center; and  
3 (ii) 0.5 per cent of the \$79,000,000 shall be  
4 transferred to a sub-account in the tourism  
5 special fund to provide funding for a safety  
6 and security budget, in accordance with the  
7 Hawaii tourism strategic plan 2005-2015; and  
8 (C) Of the revenues remaining in the tourism special  
9 fund after revenues have been deposited as  
10 provided in this paragraph and except for any sum  
11 authorized by the legislature for expenditure  
12 from revenues subject to this paragraph,  
13 beginning July 1, 2007, funds shall be deposited  
14 into the tourism emergency special fund,  
15 established in section 201B-10, in a manner  
16 sufficient to maintain a fund balance of  
17 \$5,000,000 in the tourism emergency special fund;  
18 (4) \$103,000,000 shall be allocated as follows: Kauai  
19 county shall receive 14.5 per cent, Hawaii county  
20 shall receive 18.6 per cent, city and county of  
21 Honolulu shall receive 44.1 per cent, and Maui county



1 shall receive 22.8 per cent; provided that commencing  
2 with fiscal year 2018-2019, a sum that represents the  
3 difference between a county public employer's annual  
4 required contribution for the separate trust fund  
5 established under section 87A-42 and the amount of the  
6 county public employer's contributions into that trust  
7 fund shall be retained by the state director of  
8 finance and deposited to the credit of the county  
9 public employer's annual required contribution into  
10 that trust fund in each fiscal year, as provided in  
11 section 87A-42, if the respective county fails to  
12 remit the total amount of the county's required annual  
13 contributions, as required under section 87A-43; [and]  
14 (5) \$3,000,000 shall be allocated to the special land and  
15 development fund established under section 171-19;  
16 provided that the allocation shall be expended in  
17 accordance with the Hawaii tourism authority strategic  
18 plan for:  
19 (A) The protection, preservation, maintenance, and  
20 enhancement of natural resources, including  
21 beaches, important to the visitor industry;



- 1 (B) Planning, construction, and repair of facilities;
- 2 and
- 3 (C) Operation and maintenance costs of public lands,
- 4 including beaches, connected with enhancing the
- 5 visitor experience[-]; and

6 (6) Beginning on July 1, 2019, \$ shall be  
 7 allocated to the tourism special fund established by  
 8 section 201B-11; provided that the Hawaii tourism  
 9 authority shall use the funds, in conjunction with the  
 10 Hawaii Lodging and Tourism Association and the  
 11 governor's coordinator on homelessness, to address  
 12 homelessness in tourist and resort areas; provided  
 13 further that no funds shall be released unless matched  
 14 dollar-for-dollar by the private sector.

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

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



1 SECTION 3. The Hawaii tourism authority shall submit a  
2 report to the legislature at least twenty days prior to the  
3 convening of the regular session of 2020, which shall include:

4 (1) The current status of any initiative implemented in  
5 conjunction with the Hawaii Lodging and Tourism  
6 Association and the governor's coordinator on  
7 homelessness during the three-year period prior to the  
8 date of the report to address homelessness in tourist  
9 and resort areas, including the costs thereof, source  
10 of funding, and participating entities; and

11 (2) The current status of any plans to implement future  
12 initiatives, in conjunction with the Hawaii Lodging  
13 and Tourism Association and the governor's coordinator  
14 on homelessness, to address homelessness in tourist  
15 and resort areas, including the estimated costs  
16 thereof, potential sources of funding other than  
17 legislative appropriations, and anticipated  
18 participating entities.

19 SECTION 4. There is appropriated out of the tourism  
20 special fund the sum of \$ or so much thereof as may be  
21 necessary for fiscal year 2019-2020 and the same sum or so much



1 thereof as may be necessary for fiscal year 2020-2021 for the  
2 Hawaii tourism authority, in conjunction with the Hawaii Lodging  
3 and Tourism Association and the governor's coordinator on  
4 homelessness, to address homelessness in tourist and resort  
5 areas; provided that no funds shall be made available unless  
6 matched dollar-for-dollar by the private sector.

7 The sums appropriated shall be expended by the Hawaii  
8 tourism authority for the purposes of this Act.

9 SECTION 5. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect on July 1, 2099.



**Report Title:**

HTA; Transient Accommodations Tax; Hawaii Lodging and Tourism Association; Homelessness; Report; Governor's Coordinator on Homelessness; Appropriation

**Description:**

Allocates and appropriates funds from transient accommodations tax revenues to the Hawaii Tourism Authority to implement initiatives, in conjunction with the Hawaii Lodging and Tourism Association and the governor's coordinator on homelessness, to address homelessness in tourist and resort areas. Requires the Hawaii Tourism Authority to report to the Legislature. Effective 7/1/2099. (SD1)

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

