A BILL FOR AN ACT

RELATING TO LIFEGUARD SERVICES AT STATE PARK BEACHES.

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

SECTION 1. The legislature finds that the tourism industry in Hawaii continues to grow, as visitor interest in Hawaii have surpassed previous records. The statewide visitor spending through July 2018 was $10.92 billion (an increase of 9.8 per cent), surpassing the results for the same period last year. Total visitor arrivals rose 5.3 per cent to 939,360 visitors, the most ever for any month in Hawaii's history. The increase in tourism requires safeguards to protect Hawaii's cultural and natural resources, its residents, and visitors to the islands.

Hawaii's natural resources, particularly its world-renowned beaches, are the frequent backdrop for global and local marketing to attract this increasing number of visitors. The department of land and natural resources, specifically through its state parks and certain state park beaches are observing and managing greater park patronage due to this increasing tourism numbers. The increase in visitor arrivals, with their inadequate ocean survival skills or knowledge of Hawaii's ocean conditions, have added to additional increases in beach
patronage and ancillary rescues. The department of land and
natural resources relies on several and currently insufficient
funding sources to pay for the cost of contracts with the
counties for water safety officers at state park beaches that
have been identified as high risk for drowning, spinal cord
injury, and other ocean-related injuries. Additionally, the
salary costs are increasing and the need to provide equipment to
support water safety has increased the cost of these contracts
since their inception.

There is additional pressure for the Honolulu and Kauai
county water safety officers to work increased hours due to
patronage that is still at risk after the routine working hours
are completed. This adds expenses to the existing cost of these
services. The legislature finds that revenue associated with
the transient accommodations tax presents a clear nexus for
enhancing visitor safety. A warranted source of funding in
maintaining a skilled county water safety presence in select
state beach parks is in critical need due to increasing tourism
and beach patronage.

SECTION 2. 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 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 allocated:

(i) $1,000,000 shall be allocated for the
operation of a Hawaiian center and the
museum of Hawaiian music and dance; and

(ii) 0.5 per cent of the $79,000,000 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 state parks, beaches, and trails 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; and

(6) $5,000,000 shall be allocated to the state parks special fund established under section 184-3.4; provided that the allocation shall be expended for lifeguard services, including but not limited to salary and equipment, at state beach parks for public safety at these areas frequented by visitors.

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

SECTION 4. This Act, upon its approval, shall take effect on July 1, 2020.

INTRODUCED BY: [Signature]

BY REQUEST
Report Title:
Lifeguards, State Parks; Transient Accommodation Tax

Description:
Allocates Transient Accommodations Tax revenues to the Department of Land and Natural Resources to cover lifeguard service expenses incurred at state park beaches.

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

TITLE: A BILL FOR AN ACT RELATING TO LIFEGUARD SERVICES AT STATE PARK BEACHES.

PURPOSE: To allocate Transient Accommodations Tax (TAT) revenues to the Department to cover lifeguard service expenses incurred at state park beaches.

MEANS: Amend section 237D-6.5(b), Hawaii Revised Statutes.

JUSTIFICATION: Hawaii's natural resources, particularly its world-renowned beaches, are the frequent backdrop for global and local marketing to attract this increasing number of visitors. The increase in visitor arrivals, with their inadequate ocean survival skills or knowledge of Hawaii's ocean conditions, have added to additional increases in beach patronage and ancillary rescues. The Department relies on several and currently insufficient funding sources to pay for the cost of contracts with the counties for water safety officers at state park beaches that have been identified as high risk for drowning, spinal cord injury and other ocean related injuries. Additionally, the salary costs are increasing and the need to provide equipment to support water safety has increased the cost of these contracts since their inception.

A dedicated and sole source of funding in maintaining a skilled county water safety presence in select state beach parks is in critical need due to increasing tourism and beach patronage.

This allocation of TAT revenues would be used exclusively for lifeguard salaries and equipment costs at state park beaches more prone to safety issues.
Impact on the public: This bill would provide the Department with additional funding to cover the cost of contracts with the counties for water safety officers at state park beaches that have been identified as high risk for drowning, spinal cord injury and other ocean related injuries.

Impact on the department and other agencies: This bill would relieve the Department from having to divert funding that would otherwise be used for operation and maintenance at other state parks and state park programs.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: LNR 806

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: July 1, 2020