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 has surpassed previous records. Statewide visitor spending in 2019 was $17,750,000,000, an increase of about 1.4 per cent compared to 2018. Total visitor arrivals in 2019 rose more than five per cent, totaling 10,424,995 visitors, the most ever 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 the increasing tourism numbers. The increase in arrivals of visitors, often having inadequate ocean survival skills or knowledge of Hawaii's
ocean conditions, have spurred an additional increase in beach rescues. The department of land and natural resources relies on several 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 risks 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 Honolulu and Kauai county water safety officers to work increased hours due to risk to beach users after routine working hours are completed. This adds expenses to the existing cost of these services. The legislature finds that utilizing the revenue associated with the transient accommodations tax to enhance visitor safety aligns with the purposes of the tax. Maintaining a skilled county water safety presence in select state beach parks is critical due to increasing tourism and beach patronage.

The purpose of this Act is to:

(1) Allocate transient accommodations tax revenues to the department of land and natural resources to cover
lifeguard service expenses incurred at state park
beaches; and

(2) Appropriate funds from the state parks special fund
for lifeguard services at state beach parks.

SECTION 2. Section 184-3.4, Hawaii Revised Statutes, is
amended by amending subsection (a) to read as follows:

"(a) There is established within the state treasury a fund
to be known as the state parks special fund, into which shall be
deposited:

(1) All proceeds collected by the state parks programs
involving park user fees, any leases or concession
agreements, the sale of any article purchased from the
department to benefit the state parks programs, or any
gifts or contributions; provided that proceeds derived
from the operation of Iolani Palace shall be used to
supplement its educational and interpretive programs;
and

(2) Transient accommodations tax revenues pursuant to
section 237D-6.5; provided that these moneys shall be
expended [in response to a master plan developed in
coordination with the Hawaii tourism authority.] for
lifeguard services, including salary and equipment costs, at state beach parks."

SECTION 3. 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
$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 salary and equipment costs, at state beach parks.

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 4. There is appropriated out of the state parks special fund the sum of $ or so much thereof as may be necessary for fiscal year 2020-2021 for lifeguard services, including but not limited to salary and equipment, at state beach parks for public safety at areas frequented by visitors.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.
SECTION 6. This Act shall take effect on July 1, 2020.
Report Title:
Lifeguards; State Parks; Transient Accommodations Tax; Appropriation

Description:
Allocates transient accommodations tax revenues to the Department of Land and Natural Resources to cover lifeguard service expenses incurred at state park beaches. Appropriates funds from the state parks special fund for lifeguard services at state beach parks. (SD2)

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