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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. Section 237D-6.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:
- 3           "(b) Revenues collected under this chapter shall be  
4 distributed as follows, with the excess revenues to be deposited  
5 into the general fund:
- 6           (1) \$26,500,000 shall be allocated to the convention  
7 center enterprise special fund established under  
8 section 201B-8;
- 9           (2) \$82,000,000 shall be allocated to the tourism special  
10 fund established under section 201B-11; provided that:
- 11           (A) Beginning on July 1, 2012, and ending on June 30,  
12 2015, \$2,000,000 shall be expended from the  
13 tourism special fund for development and  
14 implementation of initiatives to take advantage  
15 of expanded visa programs and increased travel  
16 opportunities for international visitors to  
17 Hawaii;



- 1 (B) Of the \$82,000,000 allocated:
- 2 (i) \$1,000,000 shall be allocated for the
- 3 operation of a Hawaiian center and the
- 4 museum of Hawaiian music and dance at the
- 5 Hawaii convention center; and
- 6 (ii) 0.5 per cent of the \$82,000,000 shall be
- 7 transferred to a sub-account in the tourism
- 8 special fund to provide funding for a safety
- 9 and security budget, in accordance with the
- 10 Hawaii tourism strategic plan 2005-2015; and
- 11 (C) Of the revenues remaining in the tourism special
- 12 fund after revenues have been deposited as
- 13 provided in this paragraph and except for any sum
- 14 authorized by the legislature for expenditure
- 15 from revenues subject to this paragraph,
- 16 beginning July 1, 2007, funds shall be deposited
- 17 into the tourism emergency trust fund,
- 18 established in section 201B-10, in a manner
- 19 sufficient to maintain a fund balance of
- 20 \$5,000,000 in the tourism emergency trust fund;



1           (3) [~~\$103,000,000 for fiscal year 2014-2015, \$103,000,000~~  
2           ~~for fiscal year 2015-2016, and \$93,000,000 for each~~  
3           ~~fiscal year thereafter]~~ \_\_\_\_\_ per cent of the  
4           revenues collected under this chapter shall be  
5           allocated to the counties, for the counties to address  
6           the visitor industry impacts on county services and  
7           tourism-related infrastructure, as follows: Kauai  
8           county shall receive 14.5 per cent, Hawaii county  
9           shall receive 18.6 per cent, city and county of  
10          Honolulu shall receive 44.1 per cent, and Maui county  
11          shall receive 22.8 per cent; provided that commencing  
12          with fiscal year 2018-2019, a sum that represents the  
13          difference between a county public employer's annual  
14          required contribution for the separate trust fund  
15          established under section 87A-42 and the amount of the  
16          county public employer's contributions into that trust  
17          fund shall be retained by the state director of  
18          finance and deposited to the credit of the county  
19          public employer's annual required contribution into  
20          that trust fund in each fiscal year, as provided in  
21          section 87A-42, if the respective county fails to



1 remit the total amount of the county's required annual  
2 contributions, as required under section 87A-43;

3 (4) \$3,000,000 shall be allocated to the Turtle Bay  
4 conservation easement special fund established under  
5 section 201B-8.6 for the payment of debt service on  
6 revenue bonds, the proceeds of which were used to  
7 acquire the conservation easement in Turtle Bay, Oahu,  
8 until the bonds are fully amortized; and

9 (5) Of the excess revenues deposited into the general fund  
10 pursuant to this subsection, \$3,000,000 shall be  
11 allocated subject to the mutual agreement of the board  
12 of land and natural resources and the board of  
13 directors of the Hawaii tourism authority in  
14 accordance with the Hawaii tourism authority strategic  
15 plan for:

16 (A) The protection, preservation, and enhancement of  
17 natural resources important to the visitor  
18 industry;

19 (B) Planning, construction, and repair of facilities;  
20 and



1           (C)   Operation and maintenance costs of public lands  
2                           connected with enhancing the visitor experience.

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

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

10          SECTION 2.   Statutory material to be repealed is bracketed  
11 and stricken.   New statutory material is underscored.

12          SECTION 3.   This Act shall take effect on July 1, 2030.



**Report Title:**

HSAC Package; Transient Accommodations Tax; Counties

**Description:**

Amends amount of Transient Accommodations Tax revenues allocated to the counties from a specified sum to a percentage of the revenues collected for the counties to address visitor industry impacts on county services and tourism-related infrastructure.  
(HB197 HD2)

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

