

SB 1226

kim4 - Elizabeth

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 26, 2009 10:52 PM
To: WAM Testimony
Cc: Toni@a3h.org
Subject: Testimony for SB1226 on 2/27/2009 9:00:00 AM



Testimony for WAM 2/27/2009 9:00:00 AM SB1226

Conference room: 211
Testifier position: comments only
Testifier will be present: No
Submitted by: Toni Marie Davis
Organization: Activities & Attractions Association of Hawaii
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Phone: 808-871-7947
E-mail: Toni@a3h.org
Submitted on: 2/26/2009

Comments:

The amount to replace the % given to HTA should be great than or equal to the current 34.2% - leaving this percentage blank is of concern.

Please support HTA and continue at least with level funding while providing additional funding through the Tourism emergency fund. With the struggling global economy, competition for visitors increases. Some of our longtime and most steadfast visitors are no longer choosing Hawaii. Now is NOT time for changes to our Tourism Authority funding or structure. Now is a time to sharpen pencils and work smarter!

AIRLINES COMMITTEE OF HAWAII



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February 27, 2009

The Honorable Donna Mercado Kim, Chair
The Honorable Shan S. Tsutsui, Vice Chair

Re: **SB 1226 SD1 – Relating to the Tourism Special Fund – Comment**
Committee on Ways & Means, Conference Room 211, 9AM

Aloha Chair Kim, Vice Chair Tsutsui and Members of the Committee:

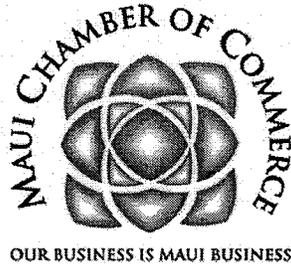
The Airlines Committee of Hawaii*, which is made up of 20 signatory air carriers that underwrite the Hawaii State Airport System, would like to offer comments on SB 1226, SD1, Relating to the Tourism Special Fund.

The purpose of this bill is to reduce the percentage of transient accommodations tax that is deposited into the Tourism Special Fund.

The Airlines Committee of Hawaii recognizes the need for the State to have marketing funds during these challenging times. We respectfully ask the committee to consider reinstating the current amount to support the State's interest to promote tourism and to attract visitors to Hawaii.

Thank you for the opportunity to provide testimony on SB 1226 SD1.

**ACH members are Air Canada, Air New Zealand, Air Pacific, Alaska Airlines, All Nippon Airways, American Airlines, China Airlines, Continental Airlines, Delta Air Lines, Federal Express, go!, Hawaiian Airlines, Japan Airlines, Korean Air, Northwest Airlines, Philippine Airlines, Qantas Airways, United Airlines, United Parcel Service, US Airways, and Westjet.*



1/27/09

Testimony to the Senate Committee on Ways and Means
Conference Room 211, State Capitol
Friday, February 27, 2009; 9:00 a.m.

RE: SENATE BILL NO. 1226 SD1

Chair Mercado Kim, Vice Chair Tsutsui, and Members of the Committee:

The Maui Chamber of Commerce, a business organization whose mission it is to advance and promote a healthy economic environment for business, advocating for responsive government and quality education, while preserving Maui's unique community characteristics, has concerns with SB 1226 SD1, relating to the Tourism Special Fund

We are a membership driven organization comprised of over 900 members, 88% of which are small businesses with fewer than 25 employees, representing nearly 21,000 employees. We have concerns as this bill seeks to remove a percent of the transient accommodations tax that is deposited into the tourism special fund from the current 34.2% share to a blank percent.

The Maui Chamber of Commerce understands the value and significance of the visitor industry and believes that more support and appreciation is needed for this industry which greatly contributes to our economy. We are in favor of measures that help to sustain and grow the visitor industry and enhance visitor experiences. Any decline in this sector harms all businesses, including small businesses that solely rely on tourism.

Therefore, as the percentage is left blank, the impact of this bill on the industry is unknown. Therefore, we ask that the 34.2% be reinstated and consideration instead be given to an increased percentage given the need to increase marketing during these challenging times.

Given the way the bill is currently written, we ask that you oppose SB1226 SD1.

Sincerely,

Pamela Tumpap
President



Department of Taxation

Position Summary

Senate Committee on Ways & Means/February 27, 2009 Agenda

Bill Number	Bill Title "Relating to..."	Position	Comments	Revenue Impact	Methodology
SB 37 SD 1	INTRA-COUNTY FERRY SERVICE	Opposed to revenue loss	No technical comments.	\$67,500 for FY 2010 and after.	There are two ferry companies that would be affected. Estimated gallonage was determined from the distance between the relevant harbors for each of the routes and the fuel use and price as reported in an article appearing in the Maui News on May 28, 2008 'PUC Rate Relief Sought by Molokai, Lanai Ferry Businesses'. An estimate of 421,646 gallons of fuel would be used per year at a price of \$4.00 per gallon before taxes. The GET exemption would cost the General Fund \$67,500 annually (=421,646 x 4.00 x 0.04).

SB 1277 SD 1	HOUSING	<p>*Support for amendments to the low-income housing tax credit.</p> <p>*Opposed to mortgage interest credit</p> <p>*Opposed to unbudgeted conveyance tax increases</p> <p>*Opposed to unbudgeted rental housing trust fund increases</p>	No technical comments.	<p><u>Low-Income Housing Credit:</u> Annual revenue loss is estimated at \$1.3 million in FY2010, \$2.6 million in FY2011, \$3.2 million in FY2012, \$3.4 million in FY2013, \$3.7 million in FY2014 and \$3.9 million in FY2015.</p> <p><u>Conveyance Tax Allocation & Increase in Conveyance Tax:</u> Annual revenue gain is estimated at \$15.0 million for FY2010 and after.</p> <p><u>Mortgage Credit Certificates:</u> Annual revenue loss is estimated at \$4.0 million for FY2010 and after.</p> <p><u>Conveyance Tax Allocation & Increase in Conveyance Tax:</u> Gains starting in FY 2010, Land Conservation Fund increases \$10.0 million per year; Rental Housing Trust Fund increases \$48.0 million per year; Natural Area Reserve Fund increases \$18.0 million per year; Self-Help Housing Trust Fund (New) receives \$6.0 million per year.</p>	Conveyance tax collection amounted to \$29.0 million in CY 2008. Estimated the new tax rates would increase conveyance tax collection to \$127.0 million per year.
 SB 1226 SD 1	TOURISM SPECIAL FUND	No position, but recognize the potential revenue gain.	No technical comments.	Indeterminate.	Amounts are blank.