

STAND. COM. REP. NO. 742

Honolulu, Hawaii

Month 6, 2009

RE: H.B. No. 1744

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1744 entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this bill is to assist the State in dealing with the present fiscal crisis and reduce expected revenue shortfalls by suspending, for six years, the distribution of the transient accommodations tax to the counties.

The Department of Taxation testified in support of this bill. The Mayor of the County of Hawaii, Mayor of the County of Maui, six members of the Maui County Council, seven members of the Hawaii County Council, the entire membership of the Kauai County Council, Hawaii Council of Mayors, Hawaii State Association of Counties, Director of Finance for the County of Kauai, Department of Budget and Fiscal Services of the City and County of Honolulu, Department of Finance of the County of Maui, Hawaii Farm Bureau Federation, Hawaii Government Employees Association, Maui County Farm Bureau, Maui Hotel & Lodging Association, Hawaii Hotel & Lodging Association, Maui Economic Development Board, ILWU Local 142, Grand Wailea Resort, Maui Visitors Bureau, Maui Chamber of Commerce, and numerous individuals testified in opposition to this measure. The Tax Foundation of Hawaii commented on this bill.

HB1744 HD1 HSCR FIN HMS 2009-2535

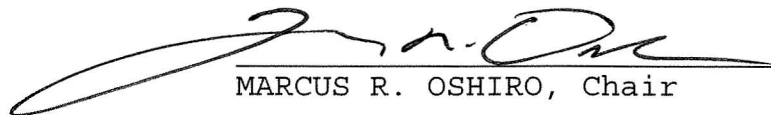


Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1744, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1744, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



