STAND. COM. REP. NO. 742

Honolulu, Hawaii Monh 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.



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Your Committee has amended this bill by:

HB1744 HD1 HSCR FIN HMS 2009-2535

- 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

HSGR 742

State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 1744	ittee Referral: FLN	Date	Date: 27 17 Feb 26, 2009	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) ☑ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)	V			
3. AQUINO, Henry J.C.		V		
4. AWANA, Karen Leinani	~			
5. BROWER, Tom		/		
6. CHOY, Isaac W.	<i>`</i>			
7. COFFMAN, Denny		~		
8. HAR, Sharon E.	-			
9. KEITH-AGARAN, Gilbert S.C.		Ľ		
10. LEE, Chris		-		
11. NISHIMOTO, Scott Y.	<u> </u>			
12. SAGUM, Roland D., III		·		
13. TOKIOKA, James Kunane		<u> </u>		
14. WOOLEY, Jessica	-			
15. YAMASHITA, Kyle T.	-			
16. PINE, Kymberly Marcos	-			
17. WARD, Gene				
TOTAL (17)	9	7	1	0
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature:Maily B. Lel				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				