H.B. NO. ⁷⁸² H.D. 2

1

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that the department of 1 2 business, economic development, and tourism provides services 3 and programs that promote economic development. Thus, the legislature finds that the continued operation of the department 4 5 is imperative for the recovery of the economy of the State. 6 The legislature also finds that fees for business- and commerce-related permits and authorizations have a nexus to the 7 business climate and economic performance of the State. 8 The 9 legislature believes that the success of the department of 10 business, economic development, and tourism in promoting the economy should result in the increase of the business activities 11 12 of most fee payers. Consequently, the legislature finds that 13 imposing a surcharge upon certain business- and commerce-related 14 permit fees to fund the department of business, economic development, and tourism is appropriate. 15

Page 2

H.B. NO. ⁷⁸² H.D. 2

2

| 1 | The pu | rpose of this Act is to: | | |
|----|---|---|--|--|
| 2 | (1) E | stablish a new special fund for the operation of the | | |
| 3 | đ | epartment of business, economic development, and | | |
| 4 | t | ourism; and | | |
| 5 | (2) I | mpose a surcharge on certain business- and commerce- | | |
| 6 | r | elated fees and require the surcharge revenues to be | | |
| 7 | d | eposited into the special fund. | | |
| 8 | SECTIO | N 2. Chapter 92, Hawaii Revised Statutes, is amended | | |
| 9 | by adding a new section to be appropriately designated and to | | | |
| 10 | read as fol | lows: | | |
| 11 | " <u>§92-</u> | Surcharge upon fees for certain business- and | | |
| 12 | commerce-re | lated services by certain departments. (a) | | |
| 13 | Beginning J | uly 1, 2011, and ending on June 30, 2015, there shall | | |
| 14 | be added a | surcharge of \$20 upon every fee charged by: | | |
| 15 | <u>(1)</u> <u>T</u> | he department of commerce and consumer affairs for | | |
| 16 | <u>t:</u> | he: | | |
| 17 | (2 | A) Application, issuance, renewal, or reissuance of | | |
| 18 | | a license, permit, or other authorization for a | | |
| 19 | | profession, business, or occupation; | | |
| 20 | () | B) Examination or audit of a person engaged in a | | |
| 21 | | profession, business, or occupation; | | |

H.B. NO. ⁷⁸² H.D. 2

3

| 1 | | (C) Filing, registration, or renewal of a corporate |
|----|------------|--|
| 2 | | or other business document; |
| 3 | | (D) Application for or registration of a trade name, |
| 4 | | trademark, or service mark; or |
| 5 | | (E) Tax on insurance premiums; |
| 6 | <u>(2)</u> | The public utilities commission pertaining to the |
| 7 | | regulation of a public utility or the filing of any |
| 8 | | document; provided that this paragraph shall not apply |
| 9 | | to a telecommunications carrier that is the carrier of |
| 10 | | last resort; |
| 11 | <u>(3)</u> | The department of labor and industrial relations |
| 12 | | pertaining to the regulation of a hoisting machine |
| 13 | | operator, blaster or pyrotechnics operator, safety and |
| 14 | | health professional, boiler installer or installation, |
| 15 | | and elevator mechanic or installation; and |
| 16 | (4) | The department of taxation for the application, |
| 17 | | issuance, renewal, or reissuance of a license, permit, |
| 18 | | certificate, or other authorization required under the |
| 19 | | following taxes: |
| 20 | | (A) General excise; |
| 21 | | (B) Transient accommodations; |
| 22 | | (C) Rental motor vehicle and tour vehicle; |

H.B. NO. ⁷⁸² H.D. 2

4

| | | | · |
|----|------------------|------------|---|
| 1 | | (D) | Liquor; |
| 2 | | <u>(E)</u> | Cigarette and tobacco; |
| 3 | | <u>(F)</u> | Liquid fuel; |
| 4 | | (G) | Public service company; and |
| 5 | | (H) | Bank and financial corporation. |
| 6 | <u>For t</u> | he p | urpose of this section, "fee" means a monetary |
| 7 | amount cha | rged | by a department for a service specified in this |
| 8 | subsection | , no | matter the nomenclature used to describe the |
| 9 | amount cha | rged | <u>-</u> |
| 10 | (b) | Each | department or agency subject to subsection (a) |
| 11 | shall impo | se ai | nd collect the appropriate surcharge and transmit |
| 12 | the surcha | rge i | revenues to the director of finance for deposit |
| 13 | into the d | epart | ment of business, economic development, and |
| 14 | tourism op | erati | on special fund established under section 201 |
| 15 | The direct | or of | finance shall establish the deadlines by which |
| 16 | the departs | ments | s shall transmit the surcharge revenues to the |
| 17 | director. | | |
| 18 | <u>(c)</u> I | No su | urcharge shall be added to the following: |
| 19 | <u>(1)</u> | Any s | service for which no fee is charged; |
| 20 | (2) | Any f | ine for a violation of a state law; |
| 21 | <u>(3)</u> | Any f | ee for the dissemination or copying of a public |
| 22 | | | d; or |
| | - HB782 HD2 F | | |

.

Page 5

H.B. NO. ⁷⁸² H.D. 2

. 5

| 1 | (4) Any fee charged to a state, county, or federal | | | | |
|----|---|--|--|--|--|
| 2 | agency." | | | | |
| 3 | SECTION 3. Chapter 201, Hawaii Revised Statutes, is | | | | |
| 4 | amended by adding a new section to part I to be appropriately | | | | |
| 5 | designated and to read as follows: | | | | |
| 6 | " <u>§201-</u> Department of business, economic development, | | | | |
| 7 | and tourism operation special fund. (a) Beginning July 1, | | | | |
| 8 | 2011, and ending on June 30, 2015, there is established, within | | | | |
| 9 | the treasury of the State, the department of business, economic | | | | |
| 10 | development, and tourism operation special fund. | | | | |
| 11 | (b) Moneys required to be deposited into the special fund | | | | |
| 12 | under section 92- shall be deposited by the director of | | | | |
| 13 | finance. | | | | |
| 14 | Any interest earned on moneys in the special fund shall be | | | | |
| 15 | a realization of the general fund. | | | | |
| 16 | (c) Moneys in the special fund shall be expended for the | | | | |
| 17 | operations of the department, including the salary and fringe | | | | |
| 18 | benefit costs of department personnel. | | | | |
| 19 | (d) If, on June 30, 2015, there are unexpended and | | | | |
| 20 | unencumbered moneys remaining in the special fund, the director | | | | |
| 21 | of finance shall transfer those moneys to the general fund on | | | | |
| 22 | July 1, 2015." | | | | |
| | HB782 HD2 HMS 2011-2579 | | | | |

į.

•

H.B. NO. ⁷⁸² H.D. 2

6

1 SECTION 4. New statutory material is underscored.

2 SECTION 5. This Act shall take effect on July 1, 2011.

.



H.B. NO. ⁷⁸² H.D. 2

Report Title:

DBEDT; Operation Special Fund

Description:

Establishes the Department of Business, Economic Development, and Tourism Operation Special Fund to support operations. Imposes a temporary surcharge on certain fees charged by certain departments for deposit into fund. Effective July 1, 2011. (HB782 HD2)

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