Honolulu, Hawaii

April 27 , 2012

H.B. No. 2078

H.D. 2

S.D. 2

C.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

## Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2078, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to foster consumer protection in the transient accommodation industry and enforce transient accommodations tax compliance by requiring:

- Owners who reside outside of the State or on another (1)island from the location of the transient accommodation to designate an agent residing on the same island as the transient accommodation; and
- All advertisements and solicitations for transient accommodations to display the registration identification

number and name of designated agent for the transient accommodations.

Your Committee has amended this bill by:

- (1) Requiring the designation of a "local contact" for transient accommodations rather than the employment of a "designated agent" for purposes of complying with this measure;
- (2) Deleting certain references and duties pertaining to a
   "designated agent";
- (3) Deleting references to single owners that differentiated such owners from condominiums or other cooperative associations;
- (4) Changing the term "owner" to "operator" throughout for purposes of consistency with existing relevant statutes;
- (5) Requiring all operators of transient accommodations to designate a local contact;
- (6) Clarifying that a non-governmental entity with covenants, bylaws, and administrative provisions must provide the Department of Taxation with relevant information related to all owners of transient accommodations maintained in its records to avoid penalties;
- (7) Clarifying that only the registration identification numbers for all transient accommodations shall be displayed on web-based advertisements and solicitations;
- (8) Removing the requirement for the Department of Taxation to provide relevant information in relation to operators of transient accommodations on its website for the public;
- (9) Adding a sunset date of December 31, 2015; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

It is not the intent of your Committee on Conference that the term "transient accommodations" include resort time share vacation units and resort time share vacation interests subject to chapter 514E, Hawaii Revised Statues, relating to time share plans.



As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2078, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2078, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

RONALD D. KOUCHI, Chair

ROSALYN H. BAKER, Co-Chair

TOM BROWER, Co-Chair

ROBERT A HERKE, Co-Chair

JAMES KUNANE TOKIOKA, Co-Chair

## Hawaii State Legislature

CCR 64-12

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 2078, HD 2, SD 2					Date/Time: 4/27/12	1:2	47 F	>m.	
The recommendation of the House	and S	Senate	mana	gers	is to pass with amendments (CD).		•		•
☐ The Committee is reconsidering its						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
KOUCHI, Ronald D., Chr.					'BROWER, Tom, Co-Chr.	$\vdash$			
BAKER, Rosalyn H., Co-Chr.		<del> </del>			'HERKES, Robert N., Co-Chr.		_		
KAHELE, Gilbert					'TOKIOKA, James Kunane, Co-Chr.				
					'NISHIMOTO, Scott Y.		ł	-	
					TSUJI, Clift				
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TOTAL	3	0	0	0	TOTAL	5	0	0	1
A = Aye WR	R = Ay	e with	Reser	vation	s $N = Nay$ H	E = Exc	used		
Senate Recommendation is:  Adopted   Not Adopted					House Recommendation is:  Adopted  Not Adopted				
Senate Lead Chair's or Designee's Signature:					House Lead Chair's or Designee's Signature:				
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