

STAND. COM. REP. NO.

883

Honolulu, Hawaii

March 6, 2015

RE: H.B. No. 197
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 197, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to assist the counties financially so they can better support tourism and tourism-related services by:

- (1) Removing the dollar amount caps of the Transient Accommodations Tax (TAT) revenues allocated to the counties; and
- (2) Allocating to the counties, 44.8 percent of the TAT revenues collected in order for the counties to address visitor industry impacts on county services and tourism-related infrastructure.

The Hawaii County Council Chair; Maui County Council Chair; Hawaii County Council Members of Districts 1, 3, 6, 8 and 9; Maui County Council Member - East Maui; Maui County Council Member - Pukalani/Kula/Ulupalakua; Maui Chamber of Commerce; Kona-Kohala Chamber of Commerce; and several individuals testified in support of this measure. The Mayor of the County of Maui, Kauai County Council Chair, Kauai County Council Member - At-Large; Department of Budget and Finance; State-County Functions Working Group;

HB197 HD2 HSCR FIN HMS 2015-2262



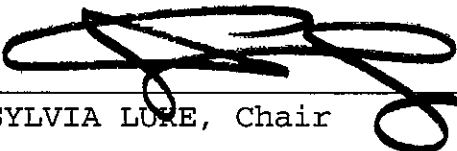
Hawaii Tourism Authority; Tax Foundation of Hawaii; and an individual commented on this measure.

Your Committee has amended this measure by:

- (1) Changing to an unspecified amount, the percentage of collected TAT revenues that are allocated to the counties to address visitor industry impacts on county services and tourism-related infrastructure;
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (3) 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. 197, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 197, H.D. 2.

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



SYLVIA LURE, Chair

HSCR 003

Bill/Resolution No.: HB 197, HD1	Committee Referral: TOU, FIN	Date: 2/26/15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. CACHOLA, Romy M.	/			
4. CULLEN, Ty J.K.	/	/		
5. DECOITE, Lynn	/			
6. JOHANSON, Aaron Ling	/			
7. JORDAN, Jo	/			
8. KEOHOKALOLE, Jarrett	/			
9. KOBAYASHI, Bertrand	/			
10. LOWEN, Nicole E.	/			
11. ONISHI, Richard H.K.	/			
12. TOKIOKA, James Kunane	/			
13. YAMASHITA, Kyle T.	/			
14. POUHA, Feki	/			
15. WARD, Gene	/			
TOTAL (15)	14	1		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				