CONFERENCE COMMITTEE REP. NO. 710 -16

Honolulu, Hawaii APR 2 9 2016

RE: S.B. No. 2987

- S.D. 2
- H.D. 2
- C.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2987, S.D. 2, H.D. 2, entitled:

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

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 measure is to amend the annual allocation of transient accommodations tax revenues to the counties.

Specifically, this measure:

Changes the annual aggregate cap on the transient (1)accommodations tax revenues allocation to the counties from \$93,000,000 after fiscal year 2015-2016 to an unspecified amount;



- (2) Amends the annual percentage of transient accommodations tax revenues allocated to each county as follows:
  - (A) From 14.5 to 20 per cent for the County of Kauai;
  - (B) From 18.6 to 25 per cent for the County of Hawaii;
  - (C) From 44.1 to 30 per cent for the City and County of Honolulu; and
  - (D) From 22.8 to 25 per cent for the County of Maui; and
- (3) Deletes language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016.

Your Committee on Conference recognizes that Act 174, Session Laws of Hawaii 2014, temporarily increased the \$93,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties to \$103,000,000 for fiscal years 2014-2015 and 2015-2016. Given that the several counties often request stability in funding, your Committee on Conference finds that it would be appropriate to extend the \$103,000,000 cap for one additional fiscal year while also maintaining each county's existing share of transient accommodations tax revenues.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Extending the \$103,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties into fiscal year 2016-2017, and restoring existing statutory language that lowers the cap to \$93,000,000 for each fiscal year thereafter;
- (2) Deleting amendments that would have changed the annual percentage of transient accommodations tax revenues allocated to each county;
- (3) Restoring existing statutory language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016; and
- (4) Changing its effective date to July 1, 2016.



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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 S.B. No. 2987, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2987, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

Co-Chai

Co-Chair TOM BROWER,

LUKE,

SYLVIA

ON THE PART OF THE SENATE

J. KALANI ENGLISH, Chair

CLARENCE K. NISHIHARA, Co-Chair

TOKUDA, Co-Chair JILL



## Hawaii State Legislature

CLR76-16

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 2987, SD 2, HD 2					Date/Time: 27 April 2016 4:07 pm				
The recommendation of the House and Senate managers is to pass with amendments (CD). CP1									
The Committee is reconsidering its previous decision.									
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	А	WR	N	E	House Managers	А	WR	N	E
ENGLISH, J. Kalani, Chr.	/				BROWER, Tom, Co-Chr.		-		
NISHIHARA, Clarence K., Co-Chr.				/	LUKE, Sylvia, Co-Chr.				
TOKUDA, Jill N., Co-Chr.					NISHIMOTO, Scott Y.				
KAHELE, Kaiali'i	$\square$				POUHA, Feki				
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$\mathbf{A} = Aye$ WI	$\mathbf{A} = \mathbf{A}\mathbf{y}\mathbf{e}$ $\mathbf{W}\mathbf{R} = \mathbf{A}\mathbf{y}\mathbf{e}$ with Reservation				s N = Nay E	= Exc	used		
Senate Recommendation is: House Recommendation is:									_
Adopted INot Adopted					Adopted I Not Adopted				
Senate Lead Chair's or Designee's Signature				House Lead Chair's or Designee's Signature:					
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