A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

SECTION 1. The purpose of this Act is to allocate funds 1 2 from transient accommodations tax revenues to the Hawaii tourism authority for the implementation of initiatives, in conjunction 3 4 with the Hawaii lodging and tourism association, to address 5 homelessness in tourist and resort areas. 6 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows: 7 8 "(b) Except for the revenues collected pursuant to section 9 237D-2(e), revenues collected under this chapter shall be 10 distributed in the following priority, with the excess revenues 11 to be deposited into the general fund: 12 \$1,500,000 shall be allocated to the Turtle Bay (1) 13 conservation easement special fund beginning July 1, 14

2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used

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1	•	to acquire the conservation easement and other real
2		property interests in Turtle Bay, Oahu, for the
3		protection, preservation, and enhancement of natural
4		resources important to the State, until the bonds are
5		fully amortized;
6	(2)	\$26,500,000 shall be allocated to the convention
7		center enterprise special fund established under
8		section 201B-8;
9	(3)	\$82,000,000 shall be allocated to the tourism special
10		fund established under section 201B-11; provided that
11		(A) Beginning on July 1, 2012, and ending on June 30
12		2015, \$2,000,000 shall be expended from the
13		tourism special fund for development and
14		implementation of initiatives to take advantage
15		of expanded visa programs and increased travel
16		opportunities for international visitors to
17		Hawaii;
18		(B) Of the \$82,000,000 allocated:
19		(i) \$1,000,000 shall be allocated for the
20		operation of a Hawaiian center and the

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1		museum of Hawaiian music and dance at the
2		Hawaii convention center; and
3		(ii) 0.5 per cent of the \$82,000,000 shall be
4		transferred to a sub-account in the tourism
5		special fund to provide funding for a safety
6		and security budget, in accordance with the
7		Hawaii tourism strategic plan 2005-2015; and
8		(C) Of the revenues remaining in the tourism special
9		fund after revenues have been deposited as
10		provided in this paragraph and except for any sum
11		authorized by the legislature for expenditure
12		from revenues subject to this paragraph,
13		beginning July 1, 2007, funds shall be deposited
14		into the tourism emergency special fund,
15		established in section 201B-10, in a manner
16		sufficient to maintain a fund balance of
17		\$5,000,000 in the tourism emergency special fund;
18	(4)	\$103,000,000 shall be allocated as follows: Kauai
19		county shall receive 14.5 per cent, Hawaii county
20		shall receive 18.6 per cent, city and county of
21		Honolulu shall receive 44.1 per cent, and Maui county

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	shall receive 22.8 per cent; provided that commencing
	with fiscal year 2018-2019, a sum that represents the
	difference between a county public employer's annual
	required contribution for the separate trust fund
	established under section 87A-42 and the amount of the
	county public employer's contributions into that trust
	fund shall be retained by the state director of
	finance and deposited to the credit of the county
	public employer's annual required contribution into
	that trust fund in each fiscal year, as provided in
	section 87A-42, if the respective county fails to
	remit the total amount of the county's required annual
	contributions, as required under section 87A-43; [and]
(5)	\$3,000,000 shall be allocated to the special land and
	development fund established under section 171-19;
	provided that the allocation shall be expended in
	accordance with the Hawaii tourism authority strategio
	plan for:
	(A) The protection, preservation, maintenance, and
	enhancement of natural resources, including
	heaches important to the visitor industry.

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1		(B)	Planning, construction, and repair of facilities;
2			and
3		(C)	Operation and maintenance costs of public lands,
4			including beaches, connected with enhancing the
5			visitor experience[-]; and
6	<u>(6)</u>	Begi	nning on July 1, 2018, \$ shall be
7		allo	cated to the Hawaii tourism authority to implement
8		init	iatives, in conjunction with the Hawaii lodging
9		and	tourism association, to address homelessness in
10		tour	ist and resort areas; provided that no funds shall
11		be r	eleased unless matched dollar-for-dollar by the
12		priv	rate sector.
13	All	trans	sient accommodations taxes shall be paid into the
14	state tre	asury	each month within ten days after collection and
15	shall be	kept	by the state director of finance in special
16	accounts	for d	distribution as provided in this subsection.
17	As u	sed i	n this subsection, "fiscal year" means the twelve-
18	month per	iod k	peginning on July 1 of a calendar year and ending
19	on June 3	0 of	the following calendar year."

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1	SECT	ON 3. The Hawaii tourism authority shall submit a
2	report to	the legislature at least twenty days prior to the
3	convening	of the regular session of 2019, which shall include:
4	(1)	The current status of any initiative implemented
5		during the three year period prior to the date of the
6		report, in conjunction with the Hawaii Lodging and
7		Tourism Association, to address homelessness in
8		tourist and resort areas, including the costs thereof
9		source of funding, and participating entities; and
10	(2)	The current status of any plans to implement future
11		initiatives, in conjunction with the Hawaii Lodging
12		and Tourism Association, to address homelessness in
13		tourist and resort areas, including the estimated
14		costs thereof, potential sources of funding, other
15		than legislative appropriations, and anticipated
16		participating entities.
17	SECT	ION 4. Statutory material to be repealed is bracketed
18	and stric	ken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 3000.

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Report Title:

Transient Accommodations Tax; Hawaii Tourism Authority; Hawaii Lodging and Tourism Association; Homelessness; Report; Appropriation

Description:

Allocates funds from transient accommodations tax revenues to the Hawaii Tourism Authority (HTA) to implement initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas. Requires HTA to report to the Legislature. (HB2012 HD2)

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