
A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The legislature finds that homelessness
2 persists as a problem in Hawaii. Homelessness can be found on
3 all islands, but the largest homeless population is on Oahu,
4 where health care, feeding programs, temporary shelter, and
5 other social services are most readily available to the needy.
6 The State has made some progress in addressing this growing
7 challenge, with millions of dollars in public funding earmarked
8 for services, attempts to expand the inventory of affordable
9 housing, and related efforts.

10 In Waikiki, the engine that powers Hawaii's tourism
11 economy, the homelessness problem has become so acute that the
12 hospitality industry, through the Hawaii Lodging and Tourism
13 Association and the Hilton Hawaiian Village in particular, has
14 stepped forward to fill the void in government funding and
15 services. They have done so by donating more than \$2,000,000 to
16 the Institute for Human Services, other Oahu-based social
17 service providers, and charitable organizations on Maui, Kauai,
18 and Hawaii island for homelessness programs and outreach. The



1 results have been that large numbers of homeless have found
2 shelter and much-needed services.

3 The legislature further finds that despite the best efforts
4 of the state and county governments and the private sector in
5 contributing sorely needed funds, homelessness continues to
6 adversely affect our communities and our top industry, tourism,
7 as homeless individuals continue to populate the beaches, parks,
8 and other open public spaces.

9 The purpose of this Act is to allocate \$2,000,000 of annual
10 transient accommodations tax revenues for homelessness services
11 in tourism-impacted areas. It is in the public's best interest
12 to help address this problem by using funds generated from
13 visitors to contribute to improving the environment in Waikiki,
14 urban Honolulu, and throughout the State.

15 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) Revenues collected under this chapter shall be
18 distributed in the following priority, with the excess revenues
19 to be deposited into the general fund:

20 (1) \$1,500,000 shall be allocated to the Turtle Bay
21 conservation easement special fund beginning July 1,



1 2015, for the reimbursement to the state general fund
2 of debt service on reimbursable general obligation
3 bonds, including ongoing expenses related to the
4 issuance of the bonds, the proceeds of which were used
5 to acquire the conservation easement and other real
6 property interests in Turtle Bay, Oahu, for the
7 protection, preservation, and enhancement of natural
8 resources important to the State, until the bonds are
9 fully amortized;

10 (2) \$26,500,000 shall be allocated to the convention
11 center enterprise special fund established under
12 section 201B-8;

13 (3) \$82,000,000 shall be allocated to the tourism special
14 fund established under section 201B-11; provided that:

15 (A) Beginning on July 1, 2012, and ending on June 30,
16 2015, \$2,000,000 shall be expended from the
17 tourism special fund for development and
18 implementation of initiatives to take advantage
19 of expanded visa programs and increased travel
20 opportunities for international visitors to
21 Hawaii;



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



1 (4) \$103,000,000 for fiscal year 2014-2015, \$103,000,000
2 for fiscal year 2015-2016, \$103,000,000 for fiscal
3 year 2016-2017, and \$93,000,000 for each fiscal year
4 thereafter shall be allocated as follows: Kauai
5 county shall receive 14.5 per cent, Hawaii county
6 shall receive 18.6 per cent, city and county of
7 Honolulu shall receive 44.1 per cent, and Maui county
8 shall receive 22.8 per cent; provided that commencing
9 with fiscal year 2018-2019, a sum that represents the
10 difference between a county public employer's annual
11 required contribution for the separate trust fund
12 established under section 87A-42 and the amount of the
13 county public employer's contributions into that trust
14 fund shall be retained by the state director of
15 finance and deposited to the credit of the county
16 public employer's annual required contribution into
17 that trust fund in each fiscal year, as provided in
18 section 87A-42, if the respective county fails to
19 remit the total amount of the county's required annual
20 contributions, as required under section 87A-43; [and]



1 (5) \$3,000,000 shall be allocated to the special land and
2 development fund established under section 171-19;
3 provided that the allocation shall be expended in
4 accordance with the Hawaii tourism authority strategic
5 plan for:

6 (A) The protection, preservation, maintenance, and
7 enhancement of natural resources, including
8 beaches, important to the visitor industry;

9 (B) Planning, construction, and repair of facilities;
10 and

11 (C) Operation and maintenance costs of public lands,
12 including beaches, connected with enhancing the
13 visitor experience[-]; and

14 (6) \$2,000,000 shall be distributed to the department of
15 human services to contract with provider agencies, as
16 defined in section 346-361, operating or managing a
17 homeless facility or any other program for the
18 homeless pursuant to part XVII of chapter 346 in
19 tourism-impacted areas.

20 All transient accommodations taxes shall be paid into the
21 state treasury each month within ten days after collection and



1 shall be kept by the state director of finance in special
2 accounts for distribution as provided in this subsection.

3 As used in this subsection, "fiscal year" means the twelve-
4 month period beginning on July 1 of a calendar year and ending
5 on June 30 of the following calendar year."

6 SECTION 3. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act shall take effect on January 1, 2018.

9



Report Title:

Transient Accommodations Tax; Homeless Services; Provider Agency

Description:

Allocates \$2,000,000 of annual transient accommodations tax revenues to DHS to contract with provider agencies operating or managing a homeless facility or any other program for homeless persons in tourism-impacted areas. Takes effect 1/1/2018.

(SD1)

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