

STAND. COM. REP. NO.

3662

Honolulu, Hawaii

APR 06 2018

RE: H.B. No. 2010  
H.D. 1  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2010, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose and intent of this measure is to change provisions of the law relating to tourism.

Specifically, this measure:

- (1) Renames the convention center enterprise special fund as the convention center operations and maintenance special fund;
- (2) Inserts a cap of \$6,000,000 on the convention center operations and maintenance special fund and authorizes expenditures from the fund for the salaries of Convention Center personnel;
- (3) Amends the authorized uses of the tourism special fund and caps expenditures from the fund for certain purposes;
- (4) Amends the allocation of transient accommodations tax revenue;



- (5) Authorizes the Department of Budget and Finance to cancel the reimbursable general obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority; and
- (6) Makes conforming amendments.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Hawaii Advocates for Consumer Rights, The Kupuna Caucus of the Democratic Party of Hawaii, and two individuals.

Your Committee received written comments in opposition to this measure from the Department of Business, Economic Development, and Tourism; Hawaii Tourism Authority; Mauna Kea Resort; Kohala Coast Resort Association; Hawaii Transportation Association; JTB Hawaii, Inc.; Kadota Liquor; Hawaii Marine Animal Response; Japan Hawaii Travel Association; Maui Pops Orchestra; OmniTrak Group Inc.; Hyatt Regency Waikiki; ILWU Local 142; Hui o Laka; Skal International Hawaii; RH Productions LLC; KYD, Inc.; Ahahui Malama I Ka Lokahi; International Festivals and Events Association; Visitor Aloha Society of Hawaii; ABC Stores; Maui Hotel & Lodging Association; Koloa Plantation Days, Inc.; Waikiki Improvement Association; Napili Kai Beach Resort; Nielsen Sports America, LLC; Hawaii Food Industry Association; Hana Arts; and nineteen individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance, University of Hawaii System, Tax Foundation of Hawaii, and one individual.

Your Committee finds that directly allocating transient accommodations tax revenue to specific agencies that work with, or are impacted by, the tourism industry will better ensure that these agencies can properly address their specific needs in an efficient and timely manner.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, the Department of Budget and Finance to cancel the reimbursable general



obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority; and

- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2010, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2010, H.D. 1, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB2010 HDI SDI</b>	Committee Referral: <b>ETT. WAM</b>	Date: <b>4/3/18</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
GALUTERIA, Brickwood	X			
HARIMOTO, Breene				X
INOUE, Lorraine R.	X			
KAHELE, Kaiali'i	X			
KIDANI, Michelle N.				X
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
<b>TOTAL</b>	<b>9</b>			<b>2</b>
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted           <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: 				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small; margin-top: 2px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

**\*Only one measure per Record of Votes**