STAND. COM. REP. NO. 2244

Honolulu, Hawaii

FEB 1 3 2018

RE: S.B. No. 3038

S.D. 1

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

Sir:

Your Committees on Economic Development, Tourism, and Technology and Water and Land, to which was referred S.B. No. 3038 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to allocate more funds to the special land and development fund by redistributing transient accommodations tax revenue from the tourism special fund to the special land and development fund.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Floriculture and Nursery Association, and the Hawaiian Civic Club of Honolulu. Your Committees received testimony in opposition to this measure from the Hawai'i Tourism Authority. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

Your Committees find that Hawaii's state parks, beaches, and trails are some of the most highly sought out destinations for visitors in Hawaii and are areas of high traffic of visitors. Your Committees recognize that although the high number of visitors to the State has benefitted the State's economy, the strain on the State's infrastructure and natural resources are

apparent to visitors and residents alike. Your Committees are concerned that the number of visitors continue to increase and that the State's infrastructure and resources are not sufficiently prepared to withstand the impact of the high number of visitors. Therefore, your Committees find that allocating more funds to the Department of Land and Natural Resources to address the high number of visitors and its effect on the State's natural resources will help maintain and develop the beautiful natural environment of Hawaii.

Your Committees have amended this measure by:

- (1) Amending the allowable use of the transient accommodations tax revenues allocated to the special land and development fund to include the protection, preservation, maintenance and enhancement of state parks and trails important to the visitor industry and to include enforcement costs of public lands, which include state parks, beaches, and trails connected with enhancing the visitor experience; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3038, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3038, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Economic Development, Tourism, and Technology and Water and Land,

KARL RHOADS, Chair

GLENN WAKAT, Chair

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The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Economic Development, Tourism, and Technology ETT

	Bill / Resolution No.:* Committee Referral: Date:							
OB 3038 ETT/WIL, WAY 2/5/18								
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members	Aye	Aye (WR)	Nay	Excused				
WAKAI, Glenn (C)								
TANIGUCHI, Brian T. (VC)								
BAKER, Rosalyn H.								
GALUTERIA, Brickwood								
THIELEN, Laura H.								
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TOTAL	12/	\varnothing	1	2				
Recommendation:								
Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only one measure per Record of Votes

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral: Date:							
SB 3038	ETT/WTL, WAM 2-5-18							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
RHOADS, Karl (C)		V,						
GABBARD, Mike (VC)		V						
INOUYE, Lorraine R.				· · · · · · · · · · · · · · · · · · ·	V			
RIVIERE, Gil		V						
THIELEN, Laura H.		V	-	Talludy',				
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TOTAL		4						
Recommendation:	/							
Adopted Not Adopted								
Chair's or Designee's Signature:								
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