STAND. COM. REP. NO. 2824

Honolulu, Hawaii

MAR 0 2 2018

RE: S.B. No. 3038

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 S.B. No. 3038, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to increase the amount of moneys invested in the State's natural resources and environment.

Specifically, this measure:

- (1) Redistributes transient accommodations tax revenues by allocating more moneys to the special land and development fund and reducing the allocation to the tourism special fund; and
- (2) Amends the allowable uses of the transient accommodations tax revenues allocated to the special land and development fund to include:
  - (A) The protection, preservation, maintenance, and enhancement of state parks and trails; and
  - (B) The enforcement costs of state parks and trails.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Hawaii Tourism Authority and Kohala Coast Resort Association.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, given the continued increase of visitors to the State, and these visitors' interest in Hawaii's natural environment, more moneys should be invested in Hawaii's natural resources and environment.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity 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 S.B. No. 3038, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3038, 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 Hawaiʻi

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 3038, SDI	ETT/WTL, WAM			2/28/18	
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
DELA CRUZ, Donovan M. (C)		×			
KEITH-AGARAN, Gilbert S.C.	(VC)	×			
ENGLISH, J. Kalani		×			
GALUTERIA, Brickwood		X			
HARIMOTO, Breene		X		*	
INOUYE, Lorraine R.		4			
KAHELE, Kaialiʻi		×			· · · · · · · · · · · · · · · · · · ·
KIDANI, Michelle N.		X			
RIVIERE, Gil		X			
SHIMABUKURO, Maile S.L.		×			:
WAKAI, Glenn		X			
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		21 1 21 24. 1			
TOTAL		11			
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature:					
DON SC XING Agana					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes