### A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. The purpose of this Act is to allocate funds 2 from transient accommodations tax revenues to the Hawaii tourism authority for the implementation of initiatives, in conjunction 3 with the Hawaii lodging and tourism association, to address 4 5 homelessness in tourist and resort areas. 6 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is 7 amended by amending subsection (b) to read as follows: 8 Except for the revenues collected pursuant to section "(b) 9 237D-2(e), revenues collected under this chapter shall be 10 distributed in the following priority, with the excess revenues to be deposited into the general fund: 11 12 \$1,500,000 shall be allocated to the Turtle Bay 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 15

issuance of the bonds, the proceeds of which were used

bonds, including ongoing expenses related to the

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	to acquire the conservation casement and other rear
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)	\$16,500,000 shall be allocated to the convention
7	center enterprise special fund established under
8	section 201B-8;
9 (3)	\$79,000,000 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 \$79,000,000 allocated:
19	(i) \$1,000,000 shall be allocated for the
20	operation of a Hawaiian center and the

1		museum of Hawaiian music and dance at the
2		Hawaii convention center; and
3		(ii) 0.5 per cent of the \$79,000,000 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

# H.B. NO. 908 H.D. 2

1		shall receive 22.8 per cent; provided that commencing
2		with fiscal year 2018-2019, a sum that represents the
3		difference between a county public employer's annual
4		required contribution for the separate trust fund
5		established under section 87A-42 and the amount of the
6		county public employer's contributions into that trust
7		fund shall be retained by the state director of
8		finance and deposited to the credit of the county
9		public employer's annual required contribution into
10		that trust fund in each fiscal year, as provided in
11		section 87A-42, if the respective county fails to
12		remit the total amount of the county's required annual
13		contributions, as required under section 87A-43; [and]
14	(5)	\$3,000,000 shall be allocated to the special land and
15		development fund established under section 171-19;
16		provided that the allocation shall be expended in
17		accordance with the Hawaii tourism authority strategio
18		plan for:
19		(A) The protection, preservation, maintenance, and
20		enhancement of natural resources, including
21		beaches, important to the visitor industry;

# H.B. NO. 908 H.D. 2

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	(6)	Begi	nning on July 1, 2019, \$ shall be
7		allo	cated to the tourism special fund established by
8		sect	ion 201B-11; provided that the Hawaii tourism
9		auth	ority shall use the funds, in conjunction with the
10		Hawa	ii Lodging and Tourism Association, to address
11		home	elessness in tourist and resort areas; provided
12		furt	her that no funds shall be released unless matched
13		doll	ar-for-dollar by the private sector.
14	All	trans	eient accommodations taxes shall be paid into the
15	state tre	asury	each month within ten days after collection and
16	shall be	kept	by the state director of finance in special
17	accounts	for d	distribution as provided in this subsection.
18	As u	sed i	n this subsection, "fiscal year" means the twelve-
19	month per	iod b	eginning on July 1 of a calendar year and ending
20	on June 3	0 of	the following calendar year."

1	SECT	ION 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 2020, which shall include:
4	(1)	The current status of any initiative implemented in
5		conjunction with the Hawaii Lodging and Tourism
6		Association during the three-year period prior to the
7		date of the report to address homelessness in tourist
8		and resort areas, including the costs thereof, source
9		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 than
15		legislative appropriations, and anticipated
16		participating entities.
17	SECT	ION 4. There is appropriated out of the tourism
18	special fo	and the sum of \$ or so much thereof as may be
19	necessary	for fiscal year 2019-2020 and the same sum or so much
20	thereof as	s may be necessary for fiscal year 2020-2021 for the
21	Hawaii to	rism authority, in conjunction with the Hawaii Lodging

### H.B. NO. 908 H.D. 2

- 1 and Tourism Association, to address homelessness in tourist and
- 2 resort areas; provided that no funds shall be made available
- 3 unless matched dollar-for-dollar by the private sector.
- 4 The sums appropriated shall be expended by the Hawaii
- 5 tourism authority for the purposes of this Act.
- 6 SECTION 5. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 6. This Act shall take effect on July 1, 2099.

### Report Title:

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

#### Description:

Allocates and appropriates funds from transient accommodations tax revenues to the Hawaii Tourism Authority to implement initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas. Requires the Hawaii Tourism Authority to report to the Legislature. (HB908 HD2)

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