Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 1946

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Tourism & International Affairs, to which was referred H.B. No. 1946 entitled:

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

begs leave to report as follows:

The purpose of this measure is to amend the amount of transient accommodations tax (TAT) revenues allocated to the counties from a specified sum to capped reimbursements to the counties for expenditures related to specified county public services.

Your Committee received testimony in support of this measure from one member of the Maui County Council. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance, Office of the Mayor of the County of Hawaii, Department of Budget and Fiscal Services of the City and County of Honolulu, Department of Finance of the County of Kauai, and Maui Chamber of Commerce. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Kohala Coast Resort Association.

Your Committee finds that the counties are in need of funding public mass transportation projects, ocean safety programs, cesspool conversion programs, visitor education, and housing

programs. Amending the amount of TAT revenues allocated to the counties to capped reimbursements for expenditures related to specified county public services would support the counties in funding these programs.

Your Committee has amended this measure by:

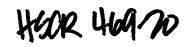
- (1) Inserting an appropriation of an unspecified amount to the Department of Budget and Finance for costs and expenses incurred in the development, implementation, or support, including operational costs and costs for necessary staffing, needed to effectuate this measure;
- (2) Changing the effective date to July 1, 2099, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism & International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1946, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1946, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Tourism & International Affairs,

RICHARD H.K. ONISHI, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature



Record of Votes of the Committee on Tourism & International Affairs

Bill/Resolution No.: HB 1946	Committee Referral: TIA, FIN	Date:	Date: Feb. [\] 2020	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
TIA Members	Ayes	Ayes (WR)	Nays	Excused
1. ONISHI, Richard H.K. (C)			-	
2. HOLT, Daniel (VC)				
3. CABANILLA ARAKAWA, Rida	a 🗸			in ascan in case
4 CACHOLA Roma M				
4. CACHOLA, Romy M.				
5. CREAGAN, Richard P.				
6. DeCOITE, Lynn				
7. PERRUSO, Amy A.		/	man and the second seco	B
8. OKIMOTO, Val				
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TOTAL (8)	5	2	1.	ð
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				