STAND. COM. REP. NO. 512

Honolulu, Hawaii February 15, 2019

RE: H.B. No. 548 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committees on Tourism & International Affairs and Water, Land, & Hawaiian Affairs, to which was referred H.B. No. 548 entitled:

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

beg leave to report as follows:

The purpose of this measure is to address the adverse impacts on the State's natural resources and facilities due to their use and enjoyment by an ever increasing number of tourists by:

- (1) Increasing the allocation of Transient Accommodations Tax (TAT) revenues deposited into the Department of Land and Natural Resources' (DLNR) Special Land and Development Fund (Special Fund) to \$5,000,000;
- (2) Expanding the scope of specified components of the Hawai'i Tourism Authority (HTA) Strategic Plan (Strategic Plan) that are funded by the Special Fund by including the following:
  - (A) State parks and trails important to the visitor industry; and



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(B) Enforcement costs related to public lands, including state parks and trails connected with enhancing the visitor experience.

DLNR and HTA supported this measure. The Office of the Governor, Department of Budget and Finance, and Tax Foundation of Hawaii submitted comments on this measure.

Your Committees have amended this measure by:

- Allocating the TAT revenue allotment directly to HTA for its Strategic Plan, rather than to the DLNR's Special Fund;
- (2) Requiring DLNR to submit an annual list of proposed projects that develop, implement, or support specified components of the Strategic Plan to HTA for consideration;
- (3) Authorizing use of the TAT revenue allocated to HTA for any costs and expenses related to specified components of the Strategic Plan, including operational and staffing costs;
- (4) Requiring HTA to include information on all of its projects relating to specified components of the Strategic Plan, whether or not they were funded by the TAT revenue allocation, in its annual report to the Legislature;
- (5) Changing its effective date to upon its approval, to encourage further discussions; and
- (6) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Tourism & International Affairs and Water, Land, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 548, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 548, H.D. 1, and be referred to your Committee on Finance.



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Respectfully submitted on behalf of the members of the Committees on Tourism & International Affairs and Water, Land, & Hawaiian Affairs,

RICHARD H.K. ONISHI, Chair

YAMANE, Chair

HB548 HD1 HSCR TIA-WLH HMS 2019-2056-1

## State of Hawaii House of Representatives The THIRTIETH Legislature



## **Record of Votes of the Committee on Tourism & International Affairs**

Bill/Resolution No.: HB 548	Committee Referral: TTA/WLH,	FIN FIN	ebruary	12,2019				
Bill/Resolution No.:       Committee Referral:       Date:         HB548       TIA/WLH, FIN       February 1d, 2019         Image: The committee is reconsidering its previous decision on the measure.       Date:       February 1d, 2019								
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>								
TIA Members	Ayes	Ayes (WR)	Nays	Excused				
1. ONISHI, Richard H.K. (C)								
2. HOLT, Daniel (VC)								
3. CABANILLA ARAKAWA, Rid	8							
4. CACHOLA, Romy M.								
5. CREAGAN, Richard P.								
6. DeCOITE, Lynn								
7. PERRUSO, Amy A.								
8. OKIMOTO, Val								
TOTAL (8)	5		$\mathcal{O}$	2				
The recommendation is:       Adopted       Not Adopted         If joint referral,								
Vice Chair's or designee's signature:								
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO								

## State of Hawaii House of Representatives The THIRTIETH Legislature



## Record of Votes of the Committee on Water, Land, & Hawaiian Affairs

Bill/Resolution No.: HB 548	Committee Referral: Da TIA / WLH, FIN			ite: 02/12/19			
The committee is reconsidering its previous decision on the measure.							
The recommendation is to: <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul>							
WLH Memb	ers	Ayes	Ayes (WR)	Nays	Excused		
1. YAMANE, Ryan I. (C)		~					
2. TODD, Chris (VC)							
3. HAR, Sharon E.					~		
4. LOWEN, Nicole E.							
5. TARNAS, David A.							
6. WILDBERGER, Tina							
o. willbbbkobk, inia							
7. THIELEN, Cynthia							
		<u> </u>					
TOTAL (7)		4	(	0	2		
Che recommendation is:       I Adopted         If joint referral,							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							