
A BILL FOR AN ACT

RELATING TO THE TOURISM SPECIAL FUND.

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

1 SECTION 1. The legislature finds that tourism marketing
2 and tourism impact expenses should be paid for by tourists,
3 rather than the residents of this State. Accordingly, the
4 purpose of this Act is to reinstate the tourism special fund,
5 and accommodate revenues from the transient accommodations tax.

6 SECTION 2. Chapter 201B, Hawaii Revised Statutes, is
7 amended by adding a new section to part II to be appropriately
8 designated and to read as follows:

9 "§201B- **Tourism special fund.** (a) There is
10 established in the state treasury the tourism special fund, into
11 which shall be deposited:

12 (1) A portion of the revenues from the transient
13 accommodations tax, as provided by section 237D-6.5;

14 (2) Appropriations by the legislature to the tourism
15 special fund; and

16 (3) Gifts, grants, and other funds accepted by the
17 authority.



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- 1 (b) Moneys in the tourism special fund may be:
- 2 (1) Placed in interest-bearing accounts; provided that the
3 depository in which the money is deposited furnishes
4 security as provided in section 38-3; or
- 5 (2) Otherwise invested by the authority until the time
6 that the moneys may be needed; provided that the
7 authority shall limit its investments to those listed
8 in section 36-21.
- 9 (c) Moneys in the tourism special fund shall be used by
10 the authority for the purposes of this chapter, provided that:
- 11 (1) Not more than 3.5 per cent of this amount shall be
12 used for administrative expenses, including
13 \$ _____ for a protocol fund to be expended at the
14 discretion of the president and chief executive
15 officer; and
- 16 (2) At least \$ _____ shall be made available to support
17 efforts to manage, improve, and protect Hawaii's
18 natural environment and areas frequented by visitors."

19 SECTION 3. Chapter 201B, Hawaii Revised Statutes, is
20 amended by amending the title of part II to read as follows:



1 **"Part II. TOURISM SPECIAL FUND; EXEMPTIONS; REPORTS"**

2 SECTION 4. Section 237D-6.5, Hawaii Revised Statutes, is
3 amended by amending subsection (b) to read as follows:

4 "(b) Except for the revenues collected pursuant to
5 section 237D-2(e), revenues collected under this chapter shall
6 be distributed in the following priority, with the excess
7 revenues to be deposited into the general fund:

8 (1) \$1,500,000 shall be allocated to the Turtle Bay
9 conservation easement special fund beginning July 1,
10 2015, for the reimbursement to the state general fund
11 of debt service on reimbursable general obligation
12 bonds, including ongoing expenses related to the
13 issuance of the bonds, the proceeds of which were used
14 to acquire the conservation easement and other real
15 property interests in Turtle Bay, Oahu, for the
16 protection, preservation, and enhancement of natural
17 resources important to the State, until the bonds are
18 fully amortized;

19 (2) \$11,000,000 shall be allocated to the convention
20 center enterprise special fund established under
21 section 201B-8;



- 1 (3) ~~[An allocation]~~ Beginning July 1, 2025, \$90,000,000
2 shall be allocated to the tourism special fund
3 established under section 201B- ; provided that of
4 the \$90,000,000 allocated:
- 5 (A) \$1,000,000 shall be allocated for the operation
6 of a Hawaiian center and the museum of Hawaiian
7 music and dance;
- 8 (B) 0.5 per cent of the \$90,000,000 shall be
9 transferred to a sub-account in the tourism
10 special fund to provide funding for a safety and
11 security budget, in accordance with the Hawaii
12 tourism strategic plan 2005-2015; and
- 13 (C) Of the revenues remaining in the tourism special
14 fund after revenues have been deposited as
15 provided in this paragraph and except for any sum
16 authorized by the legislature for expenditure
17 from revenues subject to this paragraph, funds
18 shall be deposited into the tourism emergency
19 special fund, established in section 201B-10, in
20 a manner sufficient to maintain a fund balance of



1 \$5,000,000 in the tourism emergency special fund;

2 and

3 (4) \$3,000,000 shall be allocated to the special land and
4 development fund established under section 171-19;

5 provided that the allocation shall be expended in
6 accordance with the Hawaii tourism authority strategic
7 plan for:

8 (A) The protection, preservation, maintenance, and
9 enhancement of natural resources, including
10 beaches, important to the visitor industry;

11 (B) Planning, construction, and repair of facilities;
12 and

13 (C) Operation and maintenance costs of public lands,
14 including beaches, connected with enhancing the
15 visitor experience.

16 All transient accommodations taxes shall be paid into the
17 state treasury each month within ten days after collection and
18 shall be kept by the state director of finance in special
19 accounts for distribution as provided in this subsection.



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1 As used in this subsection, "fiscal year" means the
2 twelve-month period beginning on July 1 of a calendar year and
3 ending on June 30 of the following calendar year."

4 SECTION 5. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 6. This Act shall take effect on July 1, 2024.

7

INTRODUCED BY:



JAN - 5 2024



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Report Title:

HTA; Tourism Special Fund; Reestablishment; Transient Accommodations Tax; Allocation of Revenues

Description:

Reestablishes the tourism special fund to be expended by the Hawaii Tourism Authority and allocates revenues from the transient accommodations tax.

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