THE SENATE
THIRTY-THIRD LEGISLATURE, 2025
STATE OF HAWAII

S.B. NO. 986

JAN 17 2025

A BILL FOR AN ACT

RELATED TO TOURISM.

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

SECTION 1. Section 201B-9, Hawaii Revised Statutes, is amended to read as follows:

"**§201B-9 Tourism emergency.** (a) If the board determines that the occurrence of a [~~world conflict,~~] terrorist threat, [~~national or global economic crisis,~~] natural disaster, outbreak of disease, or other catastrophic event adversely affects Hawaii's tourism industry [~~by resulting in a substantial interruption in the commerce of the State and adversely affecting the welfare of its people~~], the board shall submit a request to the governor to declare that a tourism emergency exists.

(b) Upon declaration by the governor that a tourism emergency exists pursuant to subsection (a), the authority shall develop and implement measures to respond to the tourism emergency, including providing assistance to tourists during the emergency; provided that any tourism emergency response measure implemented pursuant to this subsection shall not include any

provision that would adversely affect the organized labor force in tourism-related industries. [~~With respect to a national or global economic crisis only, in addition to the governor's declaration of the existence of a tourism emergency, no action in response to the tourism emergency declaration may be taken by the authority without the governor's express approval.~~]"

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

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

(1) $1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the conservation easement and other real property interests in Turtle Bay, Oahu, for the protection, preservation, and enhancement of natural

resources important to the State, until the bonds are fully amortized;

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

(3) An allocation shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of [~~$5,000,000~~] $3,000,000 in the tourism emergency special fund; and

(4) $3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:

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

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

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

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

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2025.

INTRODUCED BY: Lynn DeCosta

S.B. NO. 986

Report Title:
Hawaii Tourism Authority; Governor; Tourism Emergency; Tourism Emergency Special Fund; Transient Accommodations Tax Revenues

Description:
Amends the types of occurrences for which the Hawaii Tourism Authority Board of Directors may request the Governor to declare a tourism emergency. Reduces the minimum balance to be maintained in the Tourism Emergency Special Fund through an allocation of transient accommodations tax revenues.

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