

RE: H.B. No. 908
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii
Sir:

Your Committee on Energy, Economic Development, and Tourism, to which was referred H.B. No. 908, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

(1) Allocate 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; and

(2) Require the Hawaii Tourism Authority to report to the Legislature on the status of initiatives to address homelessness in tourist and resort areas.

Your Committee received testimony in support of this measure from the Hawaii Tourism Authority, Hawaii Lodging and Tourism Association, Kohala Coast Resort Association, Maui Hotel and Lodging Association, and one individual. Your Committee received testimony in opposition to this measure from seven individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that homelessness remains one of the most pressing issues of the State. Homelessness is particularly acute in Waikiki and other tourist and resort areas and is prevalent throughout popular public parks, beaches, and facilities frequently used by residents and visitors of the State. This has a direct impact on visitors' experience in the State and is a source of frustration for residents. Your Committee believes that addressing tourist and resort areas that are affected by homelessness will not only assist the homeless community by providing them with improved living situations, but will simultaneously improve areas that are frequently visited by tourists and residents, thereby improving the overall quality of life for everyone in Hawaii.

Your Committee notes that the Hawaii Lodging and Tourism Association stated in its testimony that the hospitality industry, through its association and member hotels and businesses, has contributed over \$2,500,000 during the last five years to social service agencies for homelessness outreach and services. Your Committee requests as this measure moves forward that the Hawaii Lodging and Tourism Association provide to your Committee on Energy, Economic Development, and Tourism and your Committee on Ways and Means a copy of a list of providers that are rendering services targeted toward addressing homelessness, the services being provided, and the cost of those services.

Your Committee has amended this measure by:

(1) Requiring that the Hawaii Tourism Authority work in conjunction with the Governor's Coordinator on Homelessness, in addition to the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas; and

(2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 908, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 908, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on
Energy, Economic Development, and Tourism,

GLENN WAKAI, Chair