



RESOLUTION

RELATING TO THE INCLUSION IN THE 2013 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE A PROPOSAL URGING THE GOVERNOR AND THE STATE LEGISLATURE TO MAINTAIN THE COUNTIES' SHARE OF THE TRANSIENT ACCOMMODATIONS TAX.

WHEREAS, the transient accommodations tax is a tax levied by the state on the proceeds derived from furnishing transient accommodations; and

WHEREAS, in the 1990 legislative session, the Hawaii state legislature enacted Act 185 which gave the counties a share of the transient accommodations tax; and

WHEREAS, according to Conference Committee Report 207, the purpose of Act 185 was to provide a more equitable method of sharing state revenues with the counties rather than continuing with the system existing at the time whereby the counties requested financial assistance through grants in aid from the state on a case by case basis; and

WHEREAS, in Conference Committee Report 207, it was acknowledged that many of the burdens imposed by tourism fall on the counties including the costs of providing police and fire protection, maintaining county parks, beaches, water systems, roads, sewer systems and other tourism related infrastructure; and

WHEREAS, the county share of the tax also provides more stability to county finances and enables improved budgeting and planning; and

WHEREAS, 44.8% of the total transient accommodations tax collected by the state is distributed to the counties, is limited to a total of \$93 million to the counties per fiscal year, and is allocated as follows:

Kauai County	-	14.5%
Hawaii County	-	18.6%
City and County of Honolulu	-	44.1%
Maui County	-	22.8%

and

WHEREAS, the transient accommodations tax revenues account for a significant portion of the counties' general fund budgets; and



RESOLUTION

WHEREAS, the state legislature has previously considered suspending the counties' allocation of the transient accommodations tax to balance the state budget and may again consider doing so for the 2014 fiscal year; and

WHEREAS, maintaining the current allocation of the transient accommodations tax would allow the counties to continue providing essential government services to visitors and residents without significantly raising property taxes; and

WHEREAS, approval by all the counties is requested to include a proposal in the 2013 HSAC legislative package; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve for inclusion in the 2013 HSAC legislative package various resolutions, attached as Exhibit A, urging the governor and state legislature to maintain the counties' share of the transient accommodations tax; and

BE IT FINALLY RESOLVED that a copy of this Resolution be transmitted to the President of the Hawaii State Association of Counties.

INTRODUCED BY:

[Handwritten signature]

DATE OF INTRODUCTION:

JUL 18 2012

Honolulu, Hawaii

Councilmembers

EXHIBIT A

H.R. NO. _____

HOUSE RESOLUTION

URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT
ACCOMMODATIONS TAX.

1 WHEREAS, the transient accommodations tax is a tax levied
2 by the state on the proceeds derived from furnishing transient
3 accommodations; and
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5 WHEREAS, in the 1990 legislative session, the Hawaii state
6 legislature enacted Act 185 which gave the counties a share of
7 the transient accommodations tax; and
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9 WHEREAS, according to Conference Committee Report 207, the
10 purpose of Act 185 was to provide a more equitable method of
11 sharing state revenues with the counties rather than continuing
12 with the system existing at the time whereby the counties
13 requested financial assistance through grants in aid from the
14 state; and
15

16 WHEREAS, the county share of the tax also provides more
17 stability to county finances and enables improved budgeting and
18 planning; and
19

20 WHEREAS, currently, 44.8% of the total transient
21 accommodations tax collected by the state is distributed to the
22 counties; of this amount, the revenue is allocated as follows:
23

24	Kauai County	-	14.5%
25	Hawaii County	-	18.6%
26	City and County of Honolulu	-	44.1%
27	Maui County	-	<u>22.8%</u>
28			100.0%

29
30 and
31

1 WHEREAS, the transient accommodations tax revenues account
2 for a significant portion of the counties' general fund budgets;
3 and
4

5 WHEREAS, maintaining the current allocation of the
6 transient accommodations tax would allow the counties to
7 continue providing essential government services to visitors and
8 residents; and
9

10 WHEREAS, losing the current allocation of the transient
11 accommodations tax would require counties to significantly raise
12 property taxes; now, therefore,
13

14 BE IT RESOLVED by the Senate of the Twenty-eighth
15 Legislature of the State of Hawaii, Regular Session 2013, that
16 the Governor and the Legislature are urged to preserve the
17 counties' share of the transient accommodations tax; and
18

19 BE IT FURTHER RESOLVED that certified copies of this
20 Resolution be transmitted to the Governor, the Speaker of the
21 House, the President of the Hawaii State Association of
22 Counties, and the Mayors of the counties of Kauai, Hawaii,
23 Honolulu, and Maui.
24
25
26

OFFERED BY: _____

S.R. NO. _____

SENATE RESOLUTION

URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT
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HOUSE CONCURRENT
RESOLUTION

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10 WHEREAS, losing the current allocation of the transient
11 accommodations tax would require counties to significantly raise
12 property taxes; now, therefore,
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14 BE IT RESOLVED by the House of Representatives of the
15 Twenty-eighth Legislature of the State of Hawaii, Regular
16 Session of 2013, the Senate concurring, that the Governor and
17 the Legislature of the State of Hawaii are urged to preserve the
18 counties' share of the transient accommodations tax; and
19

20 BE IT FURTHER RESOLVED that certified copies of this
21 Concurrent Resolution be transmitted to the Governor, the
22 President of the Hawaii State Association of Counties, and the
23 Mayors of the counties of Kauai, Hawaii, Honolulu, and Maui.
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15 Legislature of the State of Hawaii, Regular Session of 2013, the
16 House of Representatives concurring, that the Governor and the
17 Legislature of the State of Hawaii are urged to preserve the
18 counties' share of the transient accommodations tax; and
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21 Concurrent Resolution be transmitted to the Governor, the
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OFFERED BY: _____

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
C E R T I F I C A T E

RESOLUTION 12-183

Introduced: 07/18/12 By: STANLEY CHANG

Committee: EXECUTIVE MATTERS
AND LEGAL AFFAIRS

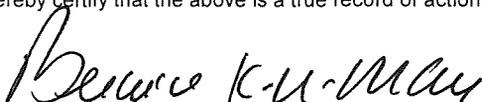
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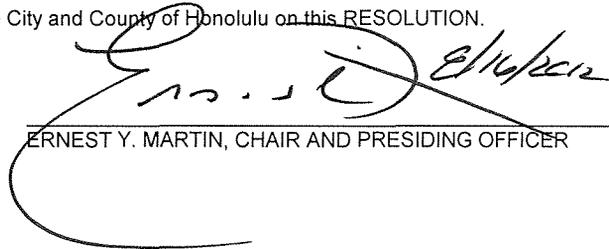
Links: [RES12-183](#)
[CR-250](#)

Voting Legend: Y= Aye, Y* = Aye w/Reservations, N = No, A = Absent, ABN = Abstain

EXECUTIVE MATTERS AND LEGAL AFFAIRS	07/24/12	CR-250 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.							
COUNCIL	08/15/12	CR-250 AND RESOLUTION 12-183 WERE ADOPTED.							
ANDERSON	A	BERG	Y	CACHOLA	Y	CHANG	Y	GABBARD	Y
GARCIA	Y	HARIMOTO	Y	KOBAYASHI	Y	MARTIN	Y		

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.


BERNICE K. N. MAU, CITY CLERK


ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER