

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



A G E N D A

HSAC EXECUTIVE COMMITTEE MEETING

Monday, August 22, 2016, at 10 a.m. or soon thereafter

Honolulu Hale, Committee Meeting Room

530 South King Street

Honolulu, Hawaii 96813

I. CALL TO ORDER

II. APPROVAL OF AGENDA

III. MINUTES

- A. Minutes of the July 8, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary

IV. REPORTS

A. Treasurer's Report

1. Treasurer's Reports for the months of June and July 2016, as submitted by the HSAC Treasurer

B. County Reports

1. City and County of Honolulu Report
2. County of Hawaii Report
3. County of Kauai Report
4. County of Maui Report

C. National Association of Counties (NACo) Report

D. Western Interstate Region (WIR) Report

V. NEW BUSINESS

- A. Communication from Kauai County Council Chair Mel Rapozo submitting four State bills for inclusion in the 2017 Hawaii State Association of Counties Legislative Package, as approved by the Council on August 3, 2016. The bills have the following respective purposes:

1. To delete the sunset provision for the liability exceptions for county lifeguards
2. To direct the traffic fines and forfeitures collected for uncontested traffic infractions to the county in which the citation was issued
3. To exempt from civil service positions of non-elected chief executive officers or heads of the executive branch of county government
4. To appropriate funds to the Department of Health for Fiscal Year 2018 for the purchase of an ambulance vehicle and the operational costs for one ambulance unit, including equipment, supplies, and personnel costs for State-certified emergency medical services personnel, for a 24-hour ambulance unit for the County of Kauai.



- B. Proposal from Becker Communications relating to public relations and media strategy for the 2017 State Legislative Session
- C. Two proposed State bills from HSAC President Michael P. Victorino. The bills have the following respective purposes:
 - 1. To allow members of a county council to jointly attend and speak at community meetings where informational presentations are made
 - 2. To remove the cap and increase the counties' share of the transient accommodations tax revenue

VI. ANNOUNCEMENTS

- A. Scheduling of the next meeting
- B. Other announcements

VII. ADJOURNMENT

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

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MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
July 8, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawai'i 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 10:00 a.m. The following members comprising a quorum were present:

- County of Maui: President Michael Victorino,
County of Maui Councilmember
- County of Hawai'i: Vice President Daniel K. Paleka, Jr. (Alternate),
County of Hawai'i Councilmember
- County of Kaua'i: Secretary Mel Rapozo,
County of Kaua'i Council Chair
- City and County of Honolulu: Treasurer Ikaika Anderson,
City and County of Honolulu Councilmember
- Others Present: Gladys C. Baisa, County of Maui Councilmember
- Honolulu staff Lisa-Ann Kimura, Staff Attorney,
Office of Council Services;
- Honolulu staff Brandon Mitsuda, Council Liaison,
Honolulu City Council Administrative Support
Services;
- Honolulu staff Francisco Figueiredo, Legislative
Aide, Office of Councilmember Ikaika Anderson;
- County of Maui staff Kit Zulueta, Communication
Director, Office of Council Services;
- Kaua'i staff Aida Kawamura, Legislative Assistant,
Office of Council Services
- Scott Ishikawa, Becker Communications, Inc.



II. APPROVAL OF AGENDA

Treasurer Anderson moved for approval of the Agenda as circulated, seconded by Vice President Paleka, and unanimously carried.

III. MINUTES

- A. Minutes of the June 22, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary.

Secretary Rapozo moved for approval of the Minutes of the June 22, 2016 HSAC Executive Committee Meeting, seconded by Vice President Paleka, and unanimously carried.

IV. REPORTS

- A. Treasurer's Report

1. Treasurer's Report for the month of June 2016, as submitted by the HSAC Treasurer.

There being no objections, the 2016 Treasurer's Report for the month of June 2016 was deferred.

- B. County Reports

1. City and County of Honolulu Report. Treasurer Anderson reported that at its meeting on July 6, 2016, the City Council passed on second reading Bill 38, relating to including the Kapalama Hale Parking Facility in Section 15-16.5 of the Revised Ordinances of Honolulu. The City Council also passed on third reading Bill 27, relating to providing incentives that stimulate the creation of accessory dwelling units (ADU) in order to offer additional rental properties to those who have challenges becoming homeowners. Bill 27 is currently at the Mayor's office for approval.

Secretary Rapozo asked whether Bill 27 included restrictions for affordability to a certain median income group. Treasurer Anderson stated that there were no rent or price restrictions included in the bill. Bill 27 will allow property owners to build a



second unit complete with a kitchen on their property. The CPR (condominium property regime) approach to subdividing the property and selling either unit is not permissible. Treasurer Anderson noted that the City Council has discussed and done research on establishing rent controls, but have not considered any formal proposal.

2. County of Hawai'i Report. Vice President Paleka thanked everyone for attending the recent HSAC Conference hosted by the County of Hawai'i. In terms of legislation, a Charter amendment has been proposed to remove the Hawai'i County Band from the Charter. It was later clarified that the band members are seeking civil service status, so the proposal will be either amended or withdrawn. Treasurer Anderson noted that the Royal Hawaiian Band is a municipal band that is city-funded, and those band members are HGEA employees. It was also noted that both bands originate from the Hawaiian Kingdom and have been in existence for 133 years.
3. County of Kaua'i Report. Secretary Rapozo reported that the Kaua'i County Council is considering an additional rental unit (ARU) proposal that would allow property owners to build an additional unit on their property, while still complying with lot coverage restrictions. If the size of the lot were over 3,500 square feet, the owner would be allowed to construct a 400 square foot structure; if the lot size is over 5,000 square feet, the unit can be up to 800 square feet in size. On Kaua'i, property owners who rent units at or below the HUD rental housing guidelines receive a beneficial tax rate. Secretary Rapozo stated his disapproval of the ARU proposal without an affordability requirement, because it basically increases property value for someone who could choose to rent at market rates and not help the affordable housing situation. Ultimately, the Council recommitted the ARU bill to the Planning Committee for further discussion, as some members believe that any increase in the number of available units creates a more favorable rental housing market. Councilmembers also questioned whether ARUs should be allowed islandwide rather than limited to the Līhu'e district as proposed in the bill.



The Intermediate Court of Appeals (ICA) issued its ruling in the Police Commission v. Mayor case on Kaua'i, stating that the commission holds the authority for discipline and employment related matters of the chief of police. The intent of Charter Review Commission members of not politicizing the police department and that they were against the mayor having any authority over the police chief is clear in the Minutes of the Charter Review Commission. However, Mayor Carvalho has stated that he will appeal the ruling, which would necessitate additional special counsel funds to be approved by the Council. State Senator Will Espero has also voiced his belief that authority over the police chief should lie with the mayor.

President Victorino expressed an interest in the ARU legislation being discussed on Kaua'i, noting that Maui County has an acute shortage of housing inventory and that he agrees that an affordability requirement is important.

4. County of Maui Report. President Victorino reported that the county manager form of government proposal failed in committee by a 5:4 vote. The Council passed the Lāna'i Community Plan Comprehensive Update on July 1, and the Moloka'i Community Plan Update is next. A recent brushfire shut down transportation between West and Central Maui, stranding residents and visitors. President Victorino noted that developing a bypass highway would not solve these issues, because that route would pass through these areas that are susceptible to these incidents. A groundbreaking for the new West Maui acute care hospital with senior facilities is scheduled for August 15, 2016. The last leg of the new airport access road will be opening on July 23, 2016. The \$3 million upgrade of the airport has commenced, and the County is fighting to have the runway extended to provide for a safer landing strip.

There being no objections, the foregoing County Reports were received for the record.

C. National Association of Counties (NACo) Report



The Annual Conference is happening July 22-25, 2016 in Long Beach, California. President Victorino thanked each county for contributing to the omiyage package: sugar from Maui County, flower leis from Hawai'i County, macadamia nuts from Honolulu City & County, Kaua'i Kookies from Kaua'i County. Secretary Rapozo noted that TSA Pre-check enrollment services will be available at the NACo Annual Conference in Long Beach. President Victorino announced that HSAC will be hosting breakfast meetings with the candidates for NACo second vice president, and that schedule will be forwarded to members attending the conference.

There being no objections, the NACo Report was received for the record.

D. Western Interstate Region (WIR) Report

There was no WIR report.

V. NEW BUSINESS

A. Financial summary and agreement for services for the Hawai'i State Association of Counties, submitted by Becker Communications, Inc. ("Becker").

Scott Ishikawa, Becker Communications, Inc. stated that his professional experience includes 13 years as a newspaper reporter (which includes 8 years at *Honolulu Advertiser*), 5 years as the State Department of Transportation spokesperson, 6.5 years representing Honolulu City on the rail transit project, and he is currently employed with Becker. This resume has afforded the expansion of his skills and circle of contacts regarding media relations. Becker also works on building community relations and can assist HSAC with arranging speaking engagements with various organizations and groups. Mr. Ishikawa noted that he is not a lobbyist, and should HSAC decide it needs the services of a lobbyist, that would be a separate matter and decision for HSAC.

Mr. Ishikawa talked about options regarding the contract – hourly rate, hourly rate with a cap, and a project status from December 2016 to May 2017 with a monthly retainer and a cap on the number of hours. HSAC had chosen to contract with Becker late in the legislative session to get media coverage. During that period, Mr. Ishikawa observed what



type of media communication worked at a particular point and what would be better for the duration of the session, and that it is better to be proactive rather than reactive by having a basic plan and making necessary adjustments along the way. Sticking with the plan throughout the session will give HSAC a better chance of getting its message out to the public, as well as to the lawmakers, through the media.

Secretary Rapozo recollected the conversation to engage Becker focused on HSAC, HCOM, and the Council Chairs wanting assistance to get the message out regarding TAT via a press release and a press conference. There was no discussion about additional services, and President Victorino recommended hiring Becker on an hourly basis because the lump sum of \$3,000 was considered too high, and everyone agreed. For the upcoming legislative session, Becker's assistance will be critical in coordinating meetings for the various county councilmembers with various groups/organizations to elicit their help in lobbying for HSAC's top two priority issues – TAT and beach liability, as well as providing members with overall guidance in promoting the same message statewide. He recommended that HSAC start developing a legislative plan of action for now until December, when HSAC could decide to continue its retention of Becker.

President Victorino agreed with developing a legislative plan now, without making any commitment for 2017. It is important to set the legislative structure now, and not wait until September to make any decision. HCOM's makeup will consist of two new mayors in 2017, and their priorities are unknown until the mayors are elected. The Council Chairs may also change. Members agreed that HCOM and Council Chairs would be supplementary to HSAC decisions. Secretary Rapozo clarified that HSAC is spending its resources to hire Becker, who will be working in the best interest of HSAC, which basically includes the County Councils. Members agreed that each Council Chair must either be in support of HSAC, or be silent regarding actions taken by HSAC on legislative matters. It was also agreed that each Council Chair will be made aware of this caveat. Councilmember Baisa requested that Becker assist HSAC with formulating a plan and calendar of events (meetings with various groups/organizations). President Victorino added that his plan is to start now in the hopes of having a preliminary proposal for consideration at HSAC's meeting in August. The August meeting will be focused on legislative issues. If necessary, a second meeting in August



will be held to finalize the HSAC legislative package for consideration by each County Council.

Secretary Rapozo moved to approve, retroactively, the Financial Summary / Agreement For Services between Becker Communications, Inc. and the Hawai'i State Association of Counties effective April 1, 2016 through December 31, 2016, seconded by Vice President Paleka, and unanimously carried.

VI. UNFINISHED BUSINESS

A. State Legislature update and discussion on lobbying efforts.

President Victorino stated his goal that each Council adopts the HSAC Legislative Package by September. Secretary Rapozo noted that the two obvious priorities are TAT and beach liability. President Victorino explained that although the beach liability bill was introduced last session, Representative Rhoads and Senator Keith-Agaran advised that they did not entertain it because the provision does not sunset until 2017. Secretary Rapozo noted that Kaua'i County will introduce the beach liability proposal for next session. President Victorino noted that Maui County will introduce the TAT proposal for next session. Maui County will also introduce the Sunshine Law proposal, with a focus on public meetings. Other proposals mentioned included county tax/fee on cruise ships as a revenue-generating mechanism, collective bargaining negotiations, and EUTF (employer-union health benefits trust fund). The members agreed that the top four issues for HSAC at the next legislative session are: TAT, beach liability, the Sunshine Law, and Collective Bargaining. Mr. Ishikawa spoke of the importance of designating which members will be representing HSAC on certain issues when meeting with the editorial boards.

Treasurer Anderson moved to approve TAT, beach liability, and the Sunshine Law as HSAC's top three priorities for the 2017 legislative session, seconded by Vice President Paleka, and unanimously carried.

Secretary Rapozo noted that he is considering introducing the unadjudicated fines proposal, because it involves primarily county resources that are not being reimbursed. President Victorino felt that the cost for the courts to administer these cases as compared with the



amount derived from the fines is not sufficient to justify the county going after it.

VII. ANNOUNCEMENTS

A. Scheduling of the next meeting.

The next Executive Committee meeting is scheduled for Monday, August 22, 2016, at 10:00 a.m. on O'ahu, with a tentative second meeting scheduled for Friday, August 26, 2016, if needed.

B. Other announcements.

Secretary Rapozo moved for approval to purchase, at a cost of approximately \$20 each, 40 portfolios with an HSAC logo imprint on the front cover for distribution to all county councilmembers and mayors, seconded by Treasurer Anderson, and unanimously carried. President Victorino noted that this expense will be budgeted from the HSAC Promotion line item.

Members welcomed representatives from the Waikīkī Community Center who were touring the City Hall and stopped in to view government officials in action and to say hello.

VIII. ADJOURNMENT

The meeting was adjourned at 11:39 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo".

MEL RAPOZO, Secretary
Hawai'i State Association of Counties

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

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August 16, 2016

Councilmember Michael P. Victorino, President
Hawaii State Association of Counties
200 S. High Street, 8th Floor
Wailuku, HI, 96793

Dear President Victorino:

SUBJECT: TREASURER'S REPORT FOR JUNE & JULY

Attached please find a report of the Association's revenues and expenses for the period of June 1 through June 30, 2016 and July 1 through July 31, 2016.

Malama Pono,

Ikaika Anderson
HSAC Treasurer

Attachment



Treasurer's Report for June 2016

HSAC started the month of June with a balance of \$205,307.62, expended \$8,346.79 and we ended the month of June with a balance of \$196,964.14.

Treasurer's Report for July 2016

HSAC started the month of July with a balance of \$196,964.14, deposited \$797.34 from prescription drug income and expended \$1,491.23 and we ended the month of July with a balance of \$196,270.25.

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID

Period: June 1, 2016 through June 30, 2016

BEGINNING BALANCE				\$205,307.62
	Current Period June	FY 2016 Year to Date	FY 2016 Budget	
REVENUES				
Membership Fees	\$0.00	\$43,680.00	\$43,680.00	
Conference Income	\$0.00	\$70,608.88	\$15,000.00	
Interest Income	\$3.31	\$25.66	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$10,000.00	\$0.00	
NACo Prescription Drug	\$0.00	\$3,776.00	\$6,000.00	
Fund Balance, prior FY		\$0.00	\$107,164.00	
Total	\$3.31	\$128,090.54	\$171,872.00	
Total Receipts This Period				\$3.31
EXPENSES				
Executive Committee				
Travel-Air and Ground	\$2,014.05	\$7,551.21	\$17,500.00	
Auditing Services	\$0.00	\$3,906.25	\$5,000.00	
Stationery	\$0.00	\$0.00	\$150.00	
Miscellaneous	\$379.63	\$2,591.20	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$332.40	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air and Ground		\$7,906.69	\$20,000.00	
Steering Committees Travel-Air and Ground	\$0.00	\$1,109.31	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$26,751.00	\$27,268.00	
Miscellaneous	\$0.00	\$1,390.69	\$1,000.00	
WIR				
WIR Travel-Air and Ground	\$3,233.82	\$7,864.78	\$10,500.00	
WIR Promotional	\$0.00	\$0.00	\$2,250.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$56.90	\$56.90	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$5,755.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$6,295.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$6,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$2,620.84	\$2,620.84	\$3,500.00	
Total	\$8,346.79	\$62,081.27	\$171,872.00	
Total Expenses This Period				\$8,346.79
ENDING BALANCE				\$196,964.14

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: July 1, 2016 through July 31, 2016

BEGINNING BALANCE				\$196,964.14
	Current Period July	FY 2017 Year to Date	FY 2017 Budget	
REVENUES				
Membership Fees	\$0.00	\$0.00	\$43,680.00	
Conference Income	\$0.00	\$0.00	\$15,000.00	
Interest Income	\$0.00	\$0.00	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$3.34	\$3.34	\$0.00	
NACo Prescription Drug	\$794.00	\$794.00	\$6,000.00	
Fund Balance, prior FY		\$0.00	\$107,164.00	
Total	\$3.34	\$797.34	\$171,872.00	
Total Receipts This Period				\$797.34
EXPENSES				
Executive Committee Travel-Air, Ground, Lodging & Membership	\$817.78	\$817.78	\$17,500.00	
Auditing Services	\$0.00	\$0.00	\$5,000.00	
Stationery	\$205.75	\$205.75	\$150.00	
Miscellaneous	\$426.15	\$426.15	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$41.55	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air, Ground, and Lodging	\$0.00	\$0.00	\$20,000.00	
Steering Committees Travel-Air ,Ground & Lodging	\$0.00	\$0.00	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$0.00	\$0.00	\$27,268.00	
Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR				
WIR Travel-Air, Ground and Lodging	\$0.00	\$0.00	\$10,500.00	
WIR Promotional	\$0.00	\$0.00	\$0.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$0.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$6,295.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$6,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$0.00	\$0.00	\$11,505.00	
Total	\$1,491.23	\$1,491.23	\$171,872.00	
Total Expenses This Period				\$1,491.23
ENDING BALANCE				\$196,270.25

COUNTY COUNCIL

Mel Rapozo, Chair
Ross Kagawa, Vice Chair
Mason K. Chock
Gary L. Hooser
Arryl Kaneshiro
KipuKai Kualii
JoAnn A. Yukimura

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OFFICE OF THE COUNTY CLERK



OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk
Scott K. Sato, Deputy County Clerk

Telephone (808) 241-4188
Fax (808) 241-6349
Email cokcouncil@kauai.gov

Council Services Division
4396 Rice Street, Suite 209
Lihue, Kauai, Hawaii 96766

August 5, 2016

Michael Victorino, President
and Executive Committee Members
Hawaii State Association of Counties
200 South High Street
Wailuku, Hawaii 96793

Dear President Victorino and Executive Committee Members:

RE: PROPOSALS FOR INCLUSION IN THE 2017 HSAC LEGISLATIVE PACKAGE

At its meeting on August 3, 2016, the Kauai County Council approved the following proposals for inclusion in the 2017 Hawaii State Association of Counties (HSAC) Legislative Package:

1. "A Bill for An Act Relating to Tort Liability," which deletes the sunset provision for the liability exceptions for county lifeguards.
2. "A Bill For An Act Relating to Unadjudicated Traffic Fines," which transfers certain fines and forfeitures collected for uncontested traffic infractions to the counties.
3. "A Bill For An Act Relating to Civil Service and Exemptions," which exempts from civil service, positions of non-elected chief executive officers or heads of the executive branch of county governments.
4. "Making An Appropriation For Emergency Medical Services," which appropriates moneys to the Department of Health for FY 2017-2018 for a 24-hour, 7-days-a-week ambulance unit for the County of Kauai.

Your consideration of the attached proposals for inclusion in the 2017 HSAC Legislative Package is appreciated. Should you have any questions, please feel free to contact the Office of the County Clerk, Council Services Division, at (808) 241-4188.

Sincerely,

MEL RAPOZO
Council Chair, Kauai County Council

AMK:lc
Attachments

____.B. NO. _____

A BILL FOR AN ACT

RELATING TO TORT LIABILITY.

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

1 SECTION 1. Act 170, Session Laws of Hawai'i 2002, as amended by
2 section 4 of Act 152, Session Laws of Hawaii 2007, as amended by section 2 of
3 Act 81, Session Laws of Hawai'i 2009, as amended by section 1 of Act 98, Session
4 Laws of Hawai'i 2014, is amended by amending section 5 to read as follows:

5 "SECTION 5. This Act shall take effect upon its approval. [~~provided that~~
6 ~~section 1 of this Act shall be repealed on June 30, 2017]."~~

7 SECTION 2. Statutory material to be repealed is bracketed and
8 stricken.

9 SECTION 3. This Act shall take effect upon its approval.

10

11

INTRODUCED BY: _____

____.B. NO. _____

Report Title:
State and County Tort Liability

Description:
Deletes the sunset provision for the liability exceptions for county lifeguards.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

A BILL FOR AN ACT

RELATING TO UNADJUDICATED TRAFFIC FINES.

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

1 SECTION 1. Chapter 291C, Hawai'i Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . TRANSMITTAL OF TRAFFIC FINES**

5 **AND FORFEITURES TO COUNTIES**

6 **§291C-A Definitions.** As used in this part, unless the
7 context clearly requires otherwise:

8 "Traffic infractions" means the same as defined under
9 section 291D-2.

10 "Uncontested traffic infraction" means a traffic infraction
11 for which the person noticed under section 291D-5 does not
12 contest the infraction. A person "does not contest" an
13 infraction if, in accordance with section 291D-6(b)(1), the
14 person admits the commission of the infraction without
15 requesting a hearing to explain mitigating circumstances and
16 pays or remits bail forfeiture by mail, via the Internet, or by
17 telephone within thirty days.

____.B. NO. _____

1 **§291C-B Transmittal of fines and forfeitures from July 1,**
2 **2017.** (a) Beginning July 1, 2017, the director of finance
3 shall transmit to each county, not more than thirty days after
4 the end of each fiscal quarter, all the fines and forfeitures
5 collected for uncontested traffic infractions committed in that
6 county that are in excess of amounts required by the State to
7 pay the administrative costs of the traffic violations bureau.
8 The fines and forfeitures shall be directed to the county in
9 which the citations were issued. This section shall not
10 apply to:

11 (1) Fines and forfeitures for violations that occur on
12 state off-street parking facilities, parks, airports,
13 and harbors that are subject to enforcement by the
14 State; and

15 (2) Fines and forfeitures that are required by law to be
16 paid into a special, revolving, or trust fund.

17 No county shall be entitled to any portion of the fines and
18 forfeitures described in this subsection."

19 SECTION 2. Section 291C-171, Hawai'i Revised Statutes,
20 is amended by amending subsection (a) to read as follows:

21 "(a) All fines and forfeitures collected upon conviction or
22 upon the forfeiture of bail of any person charged with a

____.B. NO. _____

1 violation of any section or provision of the state traffic laws
2 and all assessments collected relating to the commission of
3 traffic infractions shall be paid to the director of finance of
4 the State. The judiciary shall identify those fines paid for
5 uncontested traffic infractions as defined in section 291C-A.
6 The disposition of fines and forfeitures paid to the director of
7 finance shall be subject to sections 291C-B."

8 SECTION 3. In codifying the new sections added by
9 section 1 of this Act, the revisor of statutes shall substitute
10 appropriate section numbers for the letters used in designating
11 the new sections in this Act.

12 SECTION 2. New statutory material is underscored.

13 SECTION 3. This Act shall take effect on July 1, 2017.

14

15

INTRODUCED BY: _____

16

Report Title:

Unadjudicated Traffic Fines; Transfer to Counties

Description:

Transfers certain fines and forfeitures collected for uncontested traffic infractions to the counties

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

PROPOSER: Hawai'i State Association of Counties (HSAC) & County of Kaua'i

TITLE: A Bill for an Act Relating to Civil Service and Exemptions

PURPOSE: This proposed Bill for an Act exempts from civil service, positions of non-elected chief executive officers or heads of the executive branch of county government.

MEANS: Amends Section 76-77 of the Hawai'i Revised Statutes (HRS)

JUSTIFICATION: The Kaua'i County Council and Maui County Council have received public testimony requesting the opportunity to vote on a Council-Manager form of government to replace the current "strong mayor" structure. The State Attorney General, Kaua'i County Attorney, and others, have suggested amendments to state law to exempt a county manager or other non-elected executive branch head from the purview of civil service. This would enable the introduction of county charter amendments based on the International City/County Management Association (ICMA) Model Charter best practices for a county manager hired "for an indefinite term" and removed at the discretion of the County Council.

A BILL FOR AN ACT

RELATING TO CIVIL SERVICE AND EXEMPTIONS.

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

1 SECTION 1. Section 76-77, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§76-77 Civil service and exemptions. The civil service to
4 which this part applies comprises all positions in the public
5 service of each county, now existing or hereafter established,
6 and embraces all personal services performed for each county,
7 except the following:

8 (1) Positions in the office of the mayor; provided that the
9 positions shall be included in the classification systems;

10 (2) Positions of officers elected by public vote, positions
11 of non-elected chief executive officers or heads of the
12 executive branch of county government, positions of heads
13 of departments, and positions of one first deputy or first
14 assistant of heads of departments;

15 (3) Positions of deputy county attorneys, deputy
16 corporation counsel, deputy prosecuting attorneys, and law
17 clerks;

____.B. NO. _____

1 (4) Positions of members of any board, commission, or
2 agency;

3 (5) Positions filled by students; positions filled through
4 federally funded programs which provide temporary public
5 service employment such as the federal Comprehensive
6 Employment and Training Act of 1973; and employees engaged
7 in special research or demonstration projects approved by
8 the mayor, for which projects federal funds are available;

9 (6) Positions of district judges, jurors, and witnesses;

10 (7) Positions filled by persons employed by contract where
11 the personnel director has certified that the service is
12 special or unique, is essential to the public interest, and
13 that because of the circumstances surrounding its
14 fulfillment, personnel to perform the service cannot be
15 recruited through normal civil service procedures; provided
16 that no contract pursuant to this paragraph shall be for
17 any period exceeding one year;

18 (8) Positions of a temporary nature needed in the public
19 interest where the need does not exceed ninety days;
20 provided that before any person may be employed to render
21 temporary service pursuant to this paragraph, the director
22 shall certify that the service is of a temporary nature and

____.B. NO. _____

1 that recruitment through normal civil service recruitment
2 procedures is not practicable; and provided further that
3 the employment of any person pursuant to this paragraph may
4 be extended for good cause for an additional period not to
5 exceed ninety days upon similar certification by the
6 director;

7 (9) Positions of temporary election clerks in the office of
8 the county clerk employed during election periods;

9 (10) Positions specifically exempted from this part by any
10 other state statutes;

11 (11) Positions of one private secretary for each department
12 head; provided that the positions shall be included in the
13 classification systems;

14 (12) Positions filled by persons employed on a fee,
15 contract, or piecework basis who may lawfully perform their
16 duties concurrently with their private business or
17 profession or other private employment, if any, and whose
18 duties require only a portion of their time, where it is
19 impracticable to ascertain or anticipate the portion of
20 time devoted to the service of the county and that fact is
21 certified by the director;

____.B. NO. _____

1 (13) Positions filled by persons with a severe disability
2 who are certified by the state vocational rehabilitation
3 office as able to safely perform the duties of the
4 positions;

5 (14) Positions of the housing and community development
6 office or department of each county; provided that this
7 exemption shall not preclude each county from establishing
8 these positions as civil service positions;

9 (15) The following positions in the office of the
10 prosecuting attorney: private secretary to the prosecuting
11 attorney, secretary to the first deputy prosecuting
12 attorney, and administrative or executive assistants to the
13 prosecuting attorney; provided that the positions shall be
14 included in the classification systems; and

15 (16) Positions or contracts for personal services with
16 private persons or entities for services lasting no more
17 than one year and at a cost of no more than \$750,000;
18 provided that the exemption under this paragraph shall
19 apply to contracts for building, custodial, and grounds
20 maintenance services with qualified community
21 rehabilitation programs, as defined in section 103D-1001,

____.B. NO. _____

1 lasting for no more than a year and at a cost of no more
2 than \$850,000.

3
4 The director shall determine the applicability of this
5 section to specific positions and shall determine whether or not
6 positions exempted by paragraphs (7) and (8) shall be included
7 in the classification systems.

8 Nothing in this section shall be deemed to affect the civil
9 service status of any incumbent private secretary of a
10 department head who held that position on May 7, 1977."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect upon its approval.

14

INTRODUCED BY: _____

Report Title:

Civil Service Law; Civil Service and Exemptions

Description:

Exempts from civil service positions of non-elected chief executive officers or heads of the executive branch of county government.

A BILL FOR AN ACT

MAKING AN APPROPRIATION FOR EMERGENCY MEDICAL SERVICES.

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

1 SECTION 1. The purpose of this Act is to appropriate funds
2 to the department of health for the purchase of an ambulance
3 vehicle and the operational costs for one ambulance unit,
4 including equipment, supplies, and personnel costs for
5 state-certified emergency medical services personnel, for a
6 twenty-four-hour, seven-days-a-week, ambulance unit for the
7 county of Kaua'i.

8 SECTION 2. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so much
10 thereof as may be necessary for fiscal year 2017 - 2018 for the
11 purchase of an ambulance vehicle and the operational costs for
12 one ambulance unit, including equipment, supplies, and personnel
13 costs for state-certified emergency medical services personnel,
14 for a twenty-four-hour, seven-days-a-week, ambulance unit for
15 the county of Kaua'i.

16 The sum appropriated shall be expended by the department of
17 health for the purposes of this Act.

____.B. NO. _____

1 SECTION 3. This Act shall take effect on July 1, 2017.

2

3

INTRODUCED BY: _____

4

Report Title:

Emergency Medical Services; County of Kauai; Appropriation

Description:

Appropriates moneys to the Department of Health for FY 2017-2018 for a 24-hour, 7-days-a-week, ambulance unit for the County of Kaua'i.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

A BILL FOR AN ACT

RELATING TO PUBLIC AGENCY MEETINGS AND RECORDS.

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

1 SECTION 1. Act 221, Session Laws of Hawaii 2014, is
2 amended by amending section 4 to read as follows:

3 "SECTION 4. This Act shall take effect upon its approval[
4 ~~provided that on June 30, 2016, section 2 of this Act shall be~~
5 ~~repealed and section 92-3.1, Hawaii Revised Statutes, shall be~~
6 ~~reenacted in the form in which it read on the day before the~~
7 ~~effective date of this Act]."~~

8 SECTION 2. Section 92-3.1, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§92-3.1 Limited meetings. (a) If a board determines
11 that it is necessary to meet at a location that is dangerous to
12 health or safety, or if a board determines that it is necessary
13 to conduct an on-site inspection of a location that is related
14 to the board's business at which public attendance is not
15 practicable, and the director of the office of information
16 practices concurs, the board may hold a limited meeting at that
17 location that shall not be open to the public; provided that at
18 a regular meeting of the board prior to the limited meeting:



1 (1) The board determines, after sufficient public
2 deliberation, that it is necessary to hold the limited
3 meeting and specifies that the location is dangerous
4 to health or safety or that the on-site inspection is
5 necessary and public attendance is impracticable;

6 (2) Two-thirds of all members to which the board is
7 entitled vote to adopt the determinations required by
8 paragraph (1); and

9 (3) Notice of the limited meeting is provided in
10 accordance with section 92-7.

11 (b) A county council may hold a limited meeting that is
12 open to the public, as the guest of a board or community group
13 holding its own meeting, and the council shall not be required
14 to have a quorum of members in attendance or accept oral
15 testimony; provided that:

16 (1) Notice of the limited meeting shall be provided in
17 accordance with section 92-7, shall indicate the board
18 or community group whose meeting the council is
19 attending, and shall not be required to include an
20 agenda;



- 1 (2) If the board or community group whose meeting the
2 council is attending is subject to part I, chapter 92,
3 then that board or community group shall comply with
4 the notice, agenda, testimony, minutes, and other
5 requirements of part I, chapter 92;
- 6 (3) No more than one limited meeting per month shall be
7 held by a county council for any one board or
8 community group;
- 9 (4) No limited meetings shall be held outside the State;
10 and
- 11 (5) Limited meetings shall not be used to circumvent the
12 purpose of part I, chapter 92.
- 13 (c) At all limited meetings, the board shall:
- 14 (1) Videotape the meeting, unless the requirement is
15 waived by the director of the office of information
16 practices, and comply with all requirements of section
17 92-9;
- 18 (2) Make the videotape available at the next regular
19 meeting; and
- 20 (3) Make no decisions at the meeting.



1 (d) Each county council shall submit an annual report to
2 the legislature no later than twenty days prior to the convening
3 of each regular session on the effectiveness and application of
4 limited meeting procedures provided in subsection (b), including
5 any recommendations or proposed legislation."

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

8 SECTION 4. This Act shall take effect on July 1, 2050.

9



Report Title:

Public Meetings; Sunshine Law; County Council Members

Description:

Makes Act 221, SLH 2014, permanent, which allows county councils to hold limited meetings for the purpose of attending the meetings of other boards or community groups within the State; provided that the county council gives notice of the limited meeting, that such meetings take place no more than once per month, and that the county councils comply with other requirements under chapter 92, HRS. Requires that the county councils submit annual reports to the legislature on the effectiveness of the new procedures. Effective July 1, 2050.
(SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



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A BILL FOR AN ACT

RELATING TO PUBLIC AGENCY MEETINGS AND RECORDS.

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

1 SECTION 1. Section 92-2.5, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§92-2.5 Permitted interactions of members. (a) Two
4 members of a board may discuss between themselves matters
5 relating to official board business to enable them to perform
6 their duties faithfully, as long as no commitment to vote is
7 made or sought and the two members do not constitute a quorum of
8 their board.

9 (b) Two or more members of a board, but less than the
10 number of members which would constitute a quorum for the board,
11 may be assigned to:

12 (1) Investigate a matter relating to the official business
13 of their board; provided that:

14 (A) The scope of the investigation and the scope of
15 each member's authority are defined at a meeting
16 of the board;



1 (B) All resulting findings and recommendations are
2 presented to the board at a meeting of the board;
3 and

4 (C) Deliberation and decisionmaking on the matter
5 investigated, if any, occurs only at a duly
6 noticed meeting of the board held subsequent to
7 the meeting at which the findings and
8 recommendations of the investigation were
9 presented to the board; or

10 (2) Present, discuss, or negotiate any position which the
11 board has adopted at a meeting of the board; provided
12 that the assignment is made and the scope of each
13 member's authority is defined at a meeting of the
14 board prior to the presentation, discussion, or
15 negotiation.

16 (c) Discussions between two or more members of a board,
17 but less than the number of members which would constitute a
18 quorum for the board, concerning the selection of the board's
19 officers may be conducted in private without limitation or
20 subsequent reporting.



1 (d) Board members present at a meeting that must be
2 canceled for lack of quorum or terminated pursuant to section
3 92-3.5(c) may nonetheless receive testimony and presentations on
4 items on the agenda and question the testifiers or presenters;
5 provided that:

6 (1) Deliberation or decisionmaking on any item, for which
7 testimony or presentations are received, occurs only
8 at a duly noticed meeting of the board held subsequent
9 to the meeting at which the testimony and
10 presentations were received;

11 (2) The members present shall create a record of the oral
12 testimony or presentations in the same manner as would
13 be required by section 92-9 for testimony or
14 presentations heard during a meeting of the board; and

15 (3) Before its deliberation or decisionmaking at a
16 subsequent meeting, the board shall:

17 (A) Provide copies of the testimony and presentations
18 received at the canceled meeting to all members
19 of the board; and



1 (B) Receive a report by the members who were present
2 at the canceled or terminated meeting about the
3 testimony and presentations received.

4 (e) Two or more members of a board, but less than the
5 number of members which would constitute a quorum for the board,
6 may attend an informational meeting or presentation on matters
7 relating to official board business, including a meeting of
8 another entity, legislative hearing, convention, seminar, or
9 community meeting; provided that the meeting or presentation is
10 not specifically and exclusively organized for or directed
11 toward members of the board. The board members in attendance
12 may participate in discussions, including discussions among
13 themselves; provided that the discussions occur during and as
14 part of the informational meeting or presentation; and provided
15 further that no commitment relating to a vote on the matter is
16 made or sought.

17 At the next duly noticed meeting of the board, the board
18 members shall report their attendance and the matters presented
19 and discussed that related to official board business at the
20 informational meeting or presentation.



1 (f) Discussions between the governor and one or more
2 members of a board may be conducted in private without
3 limitation or subsequent reporting; provided that the discussion
4 does not relate to a matter over which a board is exercising its
5 adjudicatory function.

6 (g) Discussions between two or more members of a board and
7 the head of a department to which the board is administratively
8 assigned may be conducted in private without limitation;
9 provided that the discussion is limited to matters specified in
10 section 26-35.

11 (h) Communications, interactions, discussions,
12 investigations, and presentations described in this section are
13 not meetings for purposes of this part.

14 (i) Two or more members of a county council may jointly
15 attend and speak at a community, educational, or informational
16 meeting or presentation, such as a meeting of another entity,
17 legislative hearing, convention, seminar, conference, or
18 community meeting; provided that the meeting or presentation is
19 open to the public."

20 SECTION 2. New statutory material is underscored.

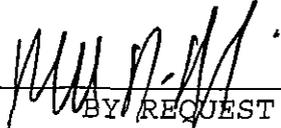


S.B. NO. 2121

1 SECTION 3. This Act shall take effect upon its approval.

2

INTRODUCED BY:


BY REQUEST



S.B. NO. 2121

Report Title:

HSAC Package; Public Meetings; Sunshine Law; County Council Members

Description:

Permits members of a county council to jointly attend and speak at a community, educational, or informational meeting or presentation; provided the meeting or presentation is open to the public.

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A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS TAX.

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

PART I

SECTION 1. (a) The legislature finds that:

(1) Pursuant to Act 174, Session Laws of Hawaii 2014, the state-county functions working group was convened to evaluate the division of duties and responsibilities between the State and counties relating to the provision of public services and to recommend an appropriate allocation of the transient accommodations tax revenues between the State and counties that properly reflects the division of duties and responsibilities relating to the provision of public services;

(2) Though the transient accommodations tax has evolved to meet the needs and purposes of the times, its structure and frequent amendment, combined with the cyclical nature of the visitor industry and the tax revenues it generates, has resulted in ongoing



H.B. NO. 1554

1 discussions among the various stakeholders, including
2 the State, the counties, the visitor industry, the
3 Hawaii tourism authority, and other recipients or
4 potential recipients of transient accommodations tax
5 revenues;

6 (3) The state-county functions working group, composed of
7 state, county, and visitor industry representatives
8 and other knowledgeable and concerned citizens, and
9 which has been aided by experts, considered the
10 legislature's assignment for over a year and delivered
11 to the legislature its final unanimous report,
12 inclusive of analysis, findings, conclusions, and
13 recommendations;

14 (4) In particular, the state-county functions working
15 group found and concluded that:

16 (A) The application of the transient accommodations
17 tax and the allocation of its revenues should be
18 simplified and stabilized so as to be clear,
19 consistent, and predictable over time, in view of
20 the need to invest in tourism as a premier
21 industry;



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- 1 (B) The tourism special fund should be provided a
2 priority distribution of the transient
3 accommodations tax revenues at an assured minimum
4 level, adjusted for inflation, and regardless of
5 overall transient accommodations tax collections;
- 6 (C) After the priority distribution of the transient
7 accommodations tax revenues to the tourism
8 special fund, existing allocations to the Turtle
9 Bay conservation easement special fund,
10 convention center enterprise special fund, and
11 special land and development fund should be
12 maintained at their current levels, with any
13 additional state funding of these efforts made
14 out of state general funds by separate
15 appropriation;
- 16 (D) Based on a review of state and county functions,
17 including tourism expenditures, an appropriate
18 allocation of the remaining transient
19 accommodations tax revenues is fifty-five per
20 cent to the state general fund and forty-five per
21 cent to the counties; and



- 1 (E) There should be no fixed dollar amounts, caps,
2 floors, or similar restrictions on allocations to
3 the State and counties of the remaining revenues;
4 instead, both the State and the county
5 allocations should increase or decrease
6 proportionately with increasing or decreasing
7 transient accommodations tax revenues; and
- 8 (5) The state-county functions working group
9 recommendations reflect a fair, balanced, and
10 reasonable compromise of competing needs for scarce
11 resources and provide a sound policy base for the
12 further administration of the transient accommodations
13 tax and its revenues.
- 14 (b) The purpose of this Act is to:
- 15 (1) Provide a fair, consistent, and predictable priority
16 allocation of transient accommodations tax revenues,
17 of an assured minimum amount, to the tourism special
18 fund;
- 19 (2) Maintain allocation of transient accommodations tax
20 revenues to existing obligations at present levels;



- 1 (3) Provide a fair, consistent, and predictable allocation
- 2 of the balance of the transient accommodations tax
- 3 revenues between the State and the counties; and
- 4 (4) Provide flexibility to the tourism special fund,
- 5 State, and counties in the utilization of their
- 6 respective allocations.

PART II

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

"(b) 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,]~~

(1) \$82,000,000 shall be allocated to the tourism special fund established under section 201B-11; provided that, beginning July 1, 2016, and in each fiscal year thereafter, the dollar amount of revenues allocated to the tourism special fund under this paragraph shall be adjusted by an amount equal to the dollar amount multiplied by the percentage, if any, by which the Honolulu region consumer price index for all urban consumers (CPI-U), or a successor index, as calculated by the United States Department of Labor, for the preceding calendar year exceeds the consumer price index for the calendar year 2015; and provided further that:

(A) Of the revenues allocated to the tourism special fund:

(i) \$1,000,000 shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance at the Hawaii convention center; and



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- 1 (ii) 0.5 per cent shall be transferred to a sub-
- 2 account in the tourism special fund to
- 3 provide funding for a safety and security
- 4 budget, in accordance with the Hawaii
- 5 tourism strategic plan; and
- 6 (B) Of the revenues remaining in the tourism special
- 7 fund after revenues have been deposited as
- 8 provided in this paragraph and except for any sum
- 9 authorized by the legislature for expenditure
- 10 from revenues subject to this paragraph,
- 11 beginning July 1, 2007, funds shall be deposited
- 12 into the tourism emergency special fund,
- 13 established in section 201B-10, in a manner
- 14 sufficient to maintain a fund balance of
- 15 \$5,000,000 in the tourism emergency special fund;
- 16 (2) \$26,500,000 shall be allocated to the convention
- 17 center enterprise special fund established under
- 18 section 201B-8;
- 19 ~~[(3) \$82,000,000 shall be allocated to the tourism special~~
- 20 ~~fund established under section 201B-11; provided that:~~



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1 ~~(A) Beginning on July 1, 2012, and ending on June 30,~~
2 ~~2015, \$2,000,000 shall be expended from the~~
3 ~~tourism special fund for development and~~
4 ~~implementation of initiatives to take advantage~~
5 ~~of expanded visa programs and increased travel~~
6 ~~opportunities for international visitors to~~
7 ~~Hawaii;~~

8 ~~(B) Of the \$82,000,000 allocated:~~

9 ~~(i) \$1,000,000 shall be allocated for the~~
10 ~~operation of a Hawaiian center and the~~
11 ~~museum of Hawaiian music and dance at the~~
12 ~~Hawaii convention center; and~~

13 ~~(ii) 0.5 per cent of the \$82,000,000 shall be~~
14 ~~transferred to a sub account in the tourism~~
15 ~~special fund to provide funding for a safety~~
16 ~~and security budget, in accordance with the~~
17 ~~Hawaii tourism strategic plan 2005-2015; and~~

18 ~~(C) Of the revenues remaining in the tourism special~~
19 ~~fund after revenues have been deposited as~~
20 ~~provided in this paragraph and except for any sum~~
21 ~~authorized by the legislature for expenditure~~



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1 ~~from revenues subject to this paragraph,~~
2 ~~beginning July 1, 2007, funds shall be deposited~~
3 ~~into the tourism emergency special fund,~~
4 ~~established in section 201B-10, in a manner~~
5 ~~sufficient to maintain a fund balance of~~
6 ~~\$5,000,000 in the tourism emergency special~~
7 ~~fund,]~~

8 (3) \$3,000,000 shall be allocated to the special land and
9 development fund established under section 171-19;
10 provided that the allocation shall be expended in
11 accordance with the Hawaii tourism authority strategic
12 plan for:

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

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

18 (C) Operation and maintenance costs of public lands,
19 including beaches, connected with enhancing the
20 visitor experience;

1 (4) \$1,500,000 shall be allocated to the Turtle Bay
2 conservation easement special fund beginning July 1,
3 2015, for the reimbursement to the state general fund
4 of debt service on reimbursable general obligation
5 bonds, including ongoing expenses related to the
6 issuance of the bonds, the proceeds of which were used
7 to acquire the conservation easement and other real
8 property interests in Turtle Bay, Oahu, for the
9 protection, preservation, and enhancement of natural
10 resources important to the State, until the bonds are
11 fully amortized; and

12 [~~(4)~~] (5) [~~(\$103,000,000 for fiscal year 2014-2015,~~
13 ~~\$103,000,000 for fiscal year 2015-2016, and~~
14 ~~\$93,000,000 for each fiscal year thereafter]~~ Of the
15 remaining revenues collected under this chapter,
16 forty-five per cent shall be allocated to the counties
17 and shall be distributed as follows: Kauai county
18 shall receive 14.5 per cent, Hawaii county shall
19 receive 18.6 per cent, city and county of Honolulu
20 shall receive 44.1 per cent, and Maui county shall
21 receive 22.8 per cent; provided that commencing with



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1 fiscal year 2018-2019, a sum that represents the
2 difference between a county public employer's annual
3 required contribution for the separate trust fund
4 established under section 87A-42 and the amount of the
5 county public employer's contributions into that trust
6 fund shall be retained by the state director of
7 finance and deposited to the credit of the county
8 public employer's annual required contribution into
9 that trust fund in each fiscal year, as provided in
10 section 87A-42, if the respective county fails to
11 remit the total amount of the county's required annual
12 contributions, as required under section 87A-43 [~~and~~
13 ~~(5) \$3,000,000 shall be allocated to the special land and~~
14 ~~development fund established under section 171-19;~~
15 ~~provided that the allocation shall be expended in~~
16 ~~accordance with the Hawaii tourism authority strategic~~
17 ~~plan for:~~
18 ~~(A) The protection, preservation, maintenance, and~~
19 ~~enhancement of natural resources, including~~
20 ~~beaches, important to the visitor industry;~~



1 all transient accommodations tax revenues collected by the
2 department of taxation under section [~~237D-6.5(b)(4)~~] 237D-
3 6.5(b)(5). The director of finance shall deduct the amount
4 necessary to meet the county public employer's annual required
5 contribution from the revenues derived under section [~~237D-~~
6 ~~6.5(b)(4)~~] 237D-6.5(b)(5) and transfer the amount to the board
7 for deposit into the appropriate account of the separate trust
8 fund."

9 SECTION 4. Section 171-19, Hawaii Revised Statutes, is
10 amended by amending subsection (a) to read as follows:

11 "(a) There is created in the department a special fund to
12 be designated as the "special land and development fund".
13 Subject to the Hawaiian Homes Commission Act of 1920, as
14 amended, and section 5(f) of the Admission Act of 1959, all
15 proceeds of sale of public lands, including interest on deferred
16 payments; all moneys collected under section 171-58 for mineral
17 and water rights; all rents from leases, licenses, and permits
18 derived from public lands; all moneys collected from lessees of
19 public lands within industrial parks; all fees, fines, and other
20 administrative charges collected under this chapter and chapter
21 183C; a portion of the highway fuel tax collected under chapter



1 243; all moneys collected by the department for the commercial
2 use of public trails and trail accesses under the jurisdiction
3 of the department; transient accommodations tax revenues
4 collected pursuant to section [~~237D-6.5(b)(5);~~] 237D-6.5(b)(3);
5 and private contributions for the management, maintenance, and
6 development of trails and accesses shall be set apart in the
7 fund and shall be used only as authorized by the legislature for
8 the following purposes:

- 9 (1) To reimburse the general fund of the State for
10 advances made that are required to be reimbursed from
11 the proceeds derived from sales, leases, licenses, or
12 permits of public lands;
- 13 (2) For the planning, development, management, operations,
14 or maintenance of all lands and improvements under the
15 control and management of the board pursuant to title
16 12, including but not limited to permanent or
17 temporary staff positions who may be appointed without
18 regard to chapter 76; provided that transient
19 accommodations tax revenues allocated to the fund
20 shall be expended as provided in section [~~237D-~~
21 ~~6.5(b)(5);~~] 237D-6.5(b)(3);



- 1 (3) To repurchase any land, including improvements, in the
2 exercise by the board of any right of repurchase
3 specifically reserved in any patent, deed, lease, or
4 other documents or as provided by law;
- 5 (4) For the payment of all appraisal fees; provided that
6 all fees reimbursed to the board shall be deposited in
7 the fund;
- 8 (5) For the payment of publication notices as required
9 under this chapter; provided that all or a portion of
10 the expenditures may be charged to the purchaser or
11 lessee of public lands or any interest therein under
12 rules adopted by the board;
- 13 (6) For the management, maintenance, and development of
14 trails and trail accesses under the jurisdiction of
15 the department;
- 16 (7) For the payment to private land developers who have
17 contracted with the board for development of public
18 lands under section 171-60;
- 19 (8) For the payment of debt service on revenue bonds
20 issued by the department, and the establishment of



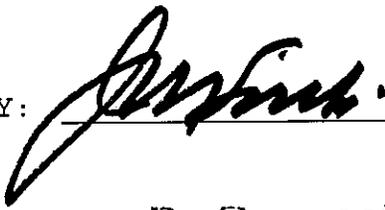
- 1 debt service and other reserves deemed necessary by
- 2 the board;
- 3 (9) To reimburse the general fund for debt service on
- 4 general obligation bonds issued to finance
- 5 departmental projects, where the bonds are designated
- 6 to be reimbursed from the special land and development
- 7 fund;
- 8 (10) For the protection, planning, management, and
- 9 regulation of water resources under chapter 174C; and
- 10 (11) For other purposes of this chapter."

PART IV

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

14 SECTION 6. This Act shall take effect on July 1, 2016.

15

INTRODUCED BY:  _____

By Request

JAN 13 2016



H.B. NO. 1554

Report Title:

State-County Functions Working Group; Transient Accommodations Tax; Allocation; Tourism Special Fund; Counties

Description:

Adjusts allocation of transient accommodations tax revenues to the tourism special fund for inflation. Adjusts allocation to the counties to equal 45% of the amount of revenues remaining after all other allocations are made.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Revenues collected under this chapter shall be
4 distributed as follows, with the excess revenues to be deposited
5 into the general fund:

6 (1) \$26,500,000 shall be allocated to the convention
7 center enterprise special fund established under
8 section 201B-8;

9 (2) \$82,000,000 shall be allocated to the tourism special
10 fund established under section 201B-11; provided that:

11 (A) Beginning on July 1, 2012, and ending on June 30,
12 2015, \$2,000,000 shall be expended from the
13 tourism special fund for development and
14 implementation of initiatives to take advantage
15 of expanded visa programs and increased travel
16 opportunities for international visitors to
17 Hawaii;



- 1 (B) Of the \$82,000,000 allocated:
- 2 (i) \$1,000,000 shall be allocated for the
- 3 operation of a Hawaiian center and the
- 4 museum of Hawaiian music and dance at the
- 5 Hawaii convention center; and
- 6 (ii) 0.5 per cent of the \$82,000,000 shall be
- 7 transferred to a sub-account in the tourism
- 8 special fund to provide funding for a safety
- 9 and security budget, in accordance with the
- 10 Hawaii tourism strategic plan 2005-2015; and
- 11 (C) Of the revenues remaining in the tourism special
- 12 fund after revenues have been deposited as
- 13 provided in this paragraph and except for any sum
- 14 authorized by the legislature for expenditure
- 15 from revenues subject to this paragraph,
- 16 beginning July 1, 2007, funds shall be deposited
- 17 into the tourism emergency trust fund,
- 18 established in section 201B-10, in a manner
- 19 sufficient to maintain a fund balance of
- 20 \$5,000,000 in the tourism emergency trust fund;



1 (3) [~~\$103,000,000 for fiscal year 2014-2015, \$103,000,000~~
2 ~~for fiscal year 2015-2016, and \$93,000,000 for each~~
3 ~~fiscal year thereafter]~~ 44.8 per cent of the revenues
4 collected under this chapter shall be allocated as
5 follows: Kauai county shall receive 14.5 per cent,
6 Hawaii county shall receive 18.6 per cent, city and
7 county of Honolulu shall receive 44.1 per cent, and
8 Maui county shall receive 22.8 per cent; provided that
9 commencing with fiscal year 2018-2019, a sum that
10 represents the difference between a county public
11 employer's annual required contribution for the
12 separate trust fund established under section 87A-42
13 and the amount of the county public employer's
14 contributions into that trust fund shall be retained
15 by the state director of finance and deposited to the
16 credit of the county public employer's annual required
17 contribution into that trust fund in each fiscal year,
18 as provided in section 87A-42, if the respective
19 county fails to remit the total amount of the county's
20 required annual contributions, as required under
21 section 87A-43;



H.B. NO. 197

- 1 (4) \$3,000,000 shall be allocated to the Turtle Bay
2 conservation easement special fund established under
3 section 201B-8.6 for the payment of debt service on
4 revenue bonds, the proceeds of which were used to
5 acquire the conservation easement in Turtle Bay, Oahu,
6 until the bonds are fully amortized; and
- 7 (5) Of the excess revenues deposited into the general fund
8 pursuant to this subsection, \$3,000,000 shall be
9 allocated subject to the mutual agreement of the board
10 of land and natural resources and the board of
11 directors of the Hawaii tourism authority in
12 accordance with the Hawaii tourism authority strategic
13 plan for:
- 14 (A) The protection, preservation, and enhancement of
15 natural resources important to the visitor
16 industry;
- 17 (B) Planning, construction, and repair of facilities;
18 and
- 19 (C) Operation and maintenance costs of public lands
20 connected with enhancing the visitor experience.



H.B. NO. 197

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

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

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect upon its approval.

11

INTRODUCED BY:


By Request

JAN 22 2015



H.B. NO. 197

Report Title:

HSAC Package; Transient Accommodations Tax

Description:

Amends amount of transient accommodations tax revenues allocated to the counties from a specified sum to a percentage of the revenues collected.

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