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# A BILL FOR AN ACT

RELATING TO EMERGENCIES.

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

1           SECTION 1. Chapter 201B, Hawaii Revised Statutes, is  
2 amended by adding two new sections to be appropriately  
3 designated and to read as follows:

4           "§201B-A Tourism emergency. (a) If the board determines  
5 that the occurrence of a world conflict, terrorist threat,  
6 natural disaster, outbreak of disease, or other catastrophic  
7 event, regardless of when or where it occurs, adversely affects  
8 Hawaii's tourism industry by resulting in a substantial  
9 interruption in the commerce of the state and adversely  
10 affecting the welfare of its people, the board shall submit a  
11 request to the governor to declare that a tourism emergency  
12 exists.

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



1 provision that would adversely affect the organized labor force  
2 in tourism-related industries.

3 **§201B-B Tourism emergency trust fund.** (a) There is  
4 established outside the state treasury a tourism emergency trust  
5 fund to be administered by the board as trustee, into which  
6 shall be deposited the revenues prescribed by section  
7 237D-6.5(b). All investment earnings from moneys in the trust  
8 fund shall be credited to the tourism special fund.

9 (b) Moneys in the trust fund shall be used exclusively to  
10 provide for the development and implementation of emergency  
11 measures to respond to any tourism emergency pursuant to section  
12 201B-A, including providing emergency assistance to tourists  
13 during the tourism emergency.

14 (c) Use of the trust fund, consistent with subsection (b),  
15 shall be provided for in articles, bylaws, resolutions, or other  
16 instruments executed by the board as trustee for the trust  
17 fund."

18 SECTION 2. Section 201B-3, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:

20 "(a) Except as otherwise limited by this chapter, the  
21 authority may:

22 (1) Sue and be sued;



- 1           (2) Have a seal and alter the same at pleasure;
- 2           (3) Make and execute contracts and all other instruments
- 3                 necessary or convenient for the exercise of its powers
- 4                 and functions under this chapter; provided that the
- 5                 authority may enter into contracts and agreements for
- 6                 a period of up to five years, subject to the
- 7                 availability of funds; and provided further that the
- 8                 authority may enter into agreements for the use of the
- 9                 convention center facility for a period of up to ten
- 10                years;
- 11           (4) Make and alter bylaws for its organization and
- 12                 internal management;
- 13           (5) Unless otherwise provided in this chapter, adopt rules
- 14                 in accordance with chapter 91 with respect to its
- 15                 projects, operations, properties, and facilities;
- 16           (6) Through its executive director represent the authority
- 17                 in communications with the governor and [~~with~~] the
- 18                 legislature;
- 19           (7) Through its executive director, provide for the
- 20                 appointment of officers, agents, and employees,
- 21                 subject to the approval of the board, prescribing
- 22                 their duties and qualifications, and fixing their



- 1 salaries, without regard to chapters 76 and 78, if  
2 there is no anticipated revenue shortfall in the  
3 tourism special fund and funds have been appropriated  
4 by the legislature and allotted as provided by law;
- 5 (8) Through its executive director purchase supplies,  
6 equipment, or furniture;
- 7 (9) Through its executive director allocate the space or  
8 spaces [~~which~~] that are to be occupied by the  
9 authority and appropriate staff;
- 10 (10) Engage the services of qualified persons to implement  
11 the State's tourism marketing plan or portions thereof  
12 as determined by the authority;
- 13 (11) Engage the services of consultants on a contractual  
14 basis for rendering professional and technical  
15 assistance and advice;
- 16 (12) Procure insurance against any loss in connection with  
17 its property and other assets and operations in [~~such~~]  
18 amounts and from [~~such~~] insurers as it deems  
19 desirable;
- 20 (13) Contract for or accept revenues, compensation,  
21 proceeds, and gifts or grants in any form from any  
22 public agency or any other source, including any



- 1 revenues or proceeds arising from the operation or use  
2 of the convention center;
- 3 (14) Develop, coordinate, and implement state policies and  
4 directions for tourism and related activities taking  
5 into account the economic, social, and physical  
6 impacts of tourism on the State and its natural  
7 resources infrastructure; provided that the authority  
8 shall support the efforts of other state and county  
9 departments or agencies to manage, improve, and  
10 protect Hawaii's natural environment and areas  
11 frequented by visitors;
- 12 (15) Have a permanent, strong focus on marketing and  
13 promotion;
- 14 (16) Conduct market development-related research as  
15 necessary;
- 16 (17) Coordinate all agencies and advise the private sector  
17 in the development of tourism-related activities and  
18 resources;
- 19 (18) Work to eliminate or reduce barriers to travel in  
20 order to provide a positive and competitive business  
21 environment, including coordinating with the



- 1 department of transportation on issues affecting  
2 airlines and air route development;
- 3 (19) Market and promote sports-related activities and  
4 events;
- 5 (20) Coordinate the development of new products with the  
6 counties and other persons in the public [~~sectors~~]  
7 sector and private [~~sectors,~~] sector, including the  
8 development of sports, culture, health and wellness,  
9 education, technology, agriculture, and nature  
10 tourism;
- 11 (21) Establish a public information and educational program  
12 to inform the public of tourism and tourism-related  
13 problems;
- 14 (22) Encourage the development of tourism educational,  
15 training, and career counseling programs;
- 16 (23) Establish a program to monitor, investigate, and  
17 respond to complaints about problems resulting  
18 directly or indirectly from the tourism industry and  
19 taking appropriate action as necessary;
- 20 (24) Develop and implement emergency measures to respond to  
21 any adverse effects on the tourism industry, pursuant  
22 to section 201B-A;



1        [~~(24)~~] (25) Set and collect rents, fees, charges, or other  
2                    payments for the lease, use, occupancy, or disposition  
3                    of the convention center facility without regard to  
4                    chapter 91;

5        [~~(25)~~] (26) Notwithstanding [~~the provisions of~~] chapter 171,  
6                    acquire, lease as lessee or lessor, own, rent, hold,  
7                    and dispose of the convention center facility in the  
8                    exercise of its powers and the performance of its  
9                    duties under this chapter; and

10        [~~(26)~~] (27) Acquire by purchase, lease, or otherwise, and  
11                    develop, construct, operate, own, manage, repair,  
12                    reconstruct, enlarge, or otherwise effectuate, either  
13                    directly or through developers, a convention center  
14                    facility."

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

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

20                (1) 17.3 per cent of the revenues collected under this  
21                    chapter shall be deposited into the convention center  
22                    enterprise special fund established under section



1 201B-8; provided that beginning January 1, 2002, if  
2 the amount of the revenue collected under this  
3 paragraph exceeds \$33,000,000 in any calendar year,  
4 revenues collected in excess of \$33,000,000 shall be  
5 deposited into the general fund;

6 (2) 34.2 per cent of the revenues collected under this  
7 chapter shall be deposited into the tourism special  
8 fund established under section 201B-11 for tourism  
9 promotion and visitor industry research; provided that  
10 beginning on July 1, 2002[+],  
11 [~~(A)~~ ~~of~~] of the first \$1,000,000 in revenues  
12 deposited:

13 [~~(i)~~] (A) Ninety per cent shall be deposited into the  
14 state parks special fund established in section  
15 184-3.4; and

16 [~~(ii)~~] (B) Ten per cent shall be deposited into the  
17 special land and development fund established in  
18 section 171-19 for the Hawaii statewide trail and  
19 access program;

20 provided that of the 34.2 per cent, 0.5 per cent shall  
21 be transferred to a sub-account in the tourism special  
22 fund to provide funding for a safety and security





1 budget, in accordance with the Hawaii tourism  
2 strategic plan 2005-2015; provided further that of the  
3 revenues remaining in the tourism special fund after  
4 revenues have been deposited as provided in this  
5 paragraph and except for any sum authorized by the  
6 legislature for expenditure from revenues subject to  
7 this paragraph, beginning July 1, 2007, funds shall be  
8 deposited into the tourism emergency trust fund,  
9 established in section 201B-B, in a manner sufficient  
10 to maintain a fund balance of \$5,000,000 in the  
11 tourism emergency trust fund; and

- 12 (3) 44.8 per cent of the revenues collected under this  
13 chapter shall be transferred as follows: Kauai county  
14 shall receive 14.5 per cent, Hawaii county shall  
15 receive 18.6 per cent, city and county of Honolulu  
16 shall receive 44.1 per cent, and Maui county shall  
17 receive 22.8 per cent.

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



1 SECTION 4. In codifying the new sections added by section  
2 1 of this Act, the revisor of statutes shall substitute  
3 appropriate section numbers for the letters used in designating  
4 the new sections in this Act.

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

7 SECTION 6. This Act shall take effect on July 1, 2007.



H.B. NO. 575  
H.D. 1  
S.D. 2  
C.D. 1

**Report Title:**

Emergencies

**Description:**

Requires the Board of the Hawaii Tourism Authority to request that the Governor declare that a tourism emergency exists under certain conditions. Requires the Authority to develop and implement emergency measures to respond to the tourism emergency declaration. Establishes a tourism emergency trust fund.  
(HB575 CD1)

