



- 1           (3) Encouraging and arranging for the conduct of tourism  
2           research and information development through voluntary  
3           means or through contractual services with qualified  
4           agencies, firms, or persons; and
- 5           (4) Providing tourism information to policy makers, the  
6           public, and the visitor industry. This includes:
- 7           (A) Collecting and publishing visitor-related data  
8           including visitor arrivals, visitor  
9           characteristics, and visitor expenditures;
- 10          (B) Collecting and publishing hotel-related  
11          statistics including the number of units  
12          available, occupancy rates, and room rates;
- 13          (C) Collecting and publishing airline-related data  
14          including seat capacity and number of flights;
- 15          (D) Collecting information and conducting analyses of  
16          the economic, social, and physical impacts of  
17          tourism on the State;
- 18          (E) Conducting periodic studies of the impact of  
19          ongoing marketing programs of the Hawaii tourism  
20          authority on Hawaii's tourism industry,  
21          employment in Hawaii, state taxes, and the



1 State's lesser known and underutilized  
2 destinations; and  
3 (F) Cooperate with the Hawaii tourism authority and  
4 provide it with the information prescribed in  
5 this section in a timely manner."

6 SECTION 2. Chapter 26, Hawaii Revised Statutes, is amended  
7 by adding a new section to be appropriately designated and to  
8 read as follows:

9 "§26- Department of tourism. (a) The department of  
10 tourism shall be headed by a single executive to be known as the  
11 director of tourism.

12 (b) The department shall cooperate with and support the  
13 operations of the Hawaii tourism authority established under  
14 chapter 201B."

15 SECTION 3. Section 26-4, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "**§26-4 Structure of government.** Under the supervision of  
18 the governor, all executive and administrative offices,  
19 departments, and instrumentalities of the state government and  
20 their respective functions, powers, and duties shall be  
21 allocated among and within the following principal departments  
22 that are hereby established:



- 1 (1) Department of human resources development (Section
- 2 26-5) i
- 3 (2) Department of accounting and general services (Section
- 4 26-6) i
- 5 (3) Department of the attorney general (Section 26-7) i
- 6 (4) Department of budget and finance (Section 26-8) i
- 7 (5) Department of commerce and consumer affairs (Section
- 8 26-9) i
- 9 (6) Department of taxation (Section 26-10) i
- 10 (7) University of Hawaii (Section 26-11) i
- 11 (8) Department of education (Section 26-12) i
- 12 (9) Department of health (Section 26-13) i
- 13 (10) Department of human services (Section 26-14) i
- 14 (11) Department of land and natural resources (Section 26-
- 15 15) i
- 16 (12) Department of agriculture (Section 26-16) i
- 17 (13) Department of Hawaiian home lands (Section 26-17) i
- 18 (14) Department of business[~~r~~] and economic development[~~r~~
- 19 and tourism] (Section 26-18) i
- 20 (15) Department of transportation (Section 26-19) i
- 21 (16) Department of labor and industrial relations (Section
- 22 26-20) i



- 1 (17) Department of defense (Section 26-21);
- 2 (18) Department of public safety (Section 26-14.6) [~~-~~]; and
- 3 (19) Department of tourism (section 26- )."

4 SECTION 4. Chapter 201, Hawaii Revised Statutes, is  
 5 amended by amending its title to read as follows:

6 "CHAPTER 201

7 DEPARTMENT OF BUSINESS [~~-~~] AND ECONOMIC DEVELOPMENT [~~-~~  
 8 AND TOURISM]"

9 SECTION 5. Section 201-3, Hawaii Revised Statutes, is  
 10 amended to read as follows:

11 "§201-3 **Specific research and promotional functions of the**  
 12 **department.** Without prejudice to its general functions and  
 13 duties the department of business [~~-~~] and economic development [~~-~~  
 14 ~~and tourism~~] shall have specific functions in the following  
 15 areas:

- 16 (1) Industrial development. The department shall
- 17 determine through technical and economic surveys the
- 18 profit potential of new or expanded industrial
- 19 undertakings; develop through research projects and
- 20 other means new and improved industrial products and
- 21 processes; promote studies and surveys to determine
- 22 consumer preference as to design and quality and to



1 determine the best methods of packaging, transporting,  
2 and marketing the State's industrial products;  
3 disseminate information to assist the present  
4 industries of the State, to attract new industries to  
5 the State, and to encourage capital investment in  
6 present and new industries in the State; assist  
7 associations of producers and distributors of  
8 industrial products to introduce these products to  
9 consumers; and make grants or contracts as may be  
10 necessary or advisable to accomplish the foregoing;

11 (2) Land development. The department shall encourage the  
12 most productive use of all land in the State in  
13 accordance with a general plan developed by the  
14 department; encourage the improvement of land tenure  
15 practices on leased private lands; promote an  
16 informational program directed to landowners,  
17 producers of agricultural and industrial commodities,  
18 and the general public regarding the most efficient  
19 and most productive use of the lands in the State; and  
20 make grants or contracts as may be necessary or  
21 advisable to accomplish the foregoing;



- 1           (3) Credit development. The department shall conduct a  
2           continuing study of agricultural and industrial credit  
3           needs; encourage the development of additional private  
4           and public credit sources for agricultural and  
5           industrial enterprises; promote an informational  
6           program to acquaint financial institutions with  
7           agricultural and industrial credit needs and the  
8           potential for agricultural and industrial expansion,  
9           and inform producers of agricultural and industrial  
10          products as to the manner in which to qualify for  
11          loans; and make grants or contracts as may be  
12          necessary or advisable to accomplish the foregoing;
- 13          (4) Promotion. The department shall disseminate  
14          information developed for or by the department  
15          pertaining to economic development to assist present  
16          industry in the State, attract new industry and  
17          investments to the State, and assist new and emerging  
18          industry with good growth potential or prospects in  
19          jobs, exports, and new products. The industrial and  
20          economic promotional activities of the department may  
21          include the use of literature, advertising,  
22          demonstrations, displays, market testing, lectures,



1 travel, motion picture and slide films, and other  
2 promotional and publicity devices as may be  
3 appropriate; and

4 ~~[-(5) Tourism research and statistics. The department shall~~  
5 ~~maintain a program of research and statistics for the~~  
6 ~~purpose of:~~

7 ~~-(A) Measuring and analyzing tourism trends;~~

8 ~~-(B) Providing information and research to assist in~~  
9 ~~the development and implementation of state~~  
10 ~~tourism policy;~~

11 ~~-(C) Encouraging and arranging for the conduct of~~  
12 ~~tourism research and information development~~  
13 ~~through voluntary means or through contractual~~  
14 ~~services with qualified agencies, firms, or~~  
15 ~~persons; and~~

16 ~~-(D) Providing tourism information to policy makers,~~  
17 ~~the public, and the visitor industry. This~~  
18 ~~includes:~~

19 ~~-(i) Collecting and publishing visitor-related~~  
20 ~~data including visitor arrivals, visitor~~  
21 ~~characteristics and expenditures;~~





- 1           ~~(ii) Collecting and publishing hotel-related~~  
2           ~~statistics including the number of units~~  
3           ~~available, occupancy rates, and room rates;~~
- 4           ~~(iii) Collecting and publishing airline-related~~  
5           ~~data including seat capacity and number of~~  
6           ~~flights;~~
- 7           ~~(iv) Collecting information and conducting~~  
8           ~~analyses of the economic, social, and~~  
9           ~~physical impacts of tourism on the State;~~
- 10           ~~(v) Conducting periodic studies of the impact of~~  
11           ~~ongoing marketing programs of the Hawaii~~  
12           ~~tourism authority on Hawaii's tourism~~  
13           ~~industry, employment in Hawaii, state taxes,~~  
14           ~~and the State's lesser known and~~  
15           ~~underutilized destinations; and~~
- 16           ~~(vi) Cooperate with the Hawaii tourism authority~~  
17           ~~and provide it with the above information in~~  
18           ~~a timely manner; and~~
- 19           +6)] (5) Self-sufficiency standard. The department shall  
20           establish and update biennially a self-sufficiency  
21           standard that shall incorporate existing methods of  
22           calculation, and shall reflect, at a minimum, costs



1 relating to housing, food, child care, transportation,  
2 health care, clothing and household expenses, federal  
3 and state tax obligations, family size, children's  
4 ages, geography, and the number of household wage  
5 earners. The department shall report to the  
6 legislature concerning the self-sufficiency standard  
7 no later than twenty days prior to the convening of  
8 the regular session of 2009, and every odd-numbered  
9 year thereafter. The recommendations shall address,  
10 among other things, the utilization of any federal  
11 funding that may be available for the purposes of  
12 establishing and updating the self-sufficiency  
13 standard.

14 The department shall be the central agency to coordinate  
15 film permit activities in the State."

16 SECTION 6. Sections 10-18, 23-12, 26-16, 26-18, 48-1,  
17 48-2, 48-3, 48-4, 48-6, 103D-903, 125C-2, 125C-31, 125C-32,  
18 128E-2, 163D-3, 171-42, 174C-5, 189-21, 189-42, 196-1, 196-3,  
19 196-10, 196-41, 200D-2, 201-1, 201-2, 201-2.5, 201-4, 201-5,  
20 201-6, 201-7, 201-8, 201-9, 201-10, 201-11, 201-12.5, 201-12.8,  
21 201-13, 201-16, 201-17, 201-18, 201-61, 201-72, 201-81, 201-84,  
22 201-101.5, 201-102, 201-103, 201-104, 201-112, 201B-2, 201C-1,



1 201C-2, 201C-4, 201H-2, 201H-3, 201M-5, 201N-1, 201N-4, 201N-8,  
2 202-10, 205-1, 205-3.1, 205-5.2, 205A-62, 206E-3, 206E-32,  
3 206E-34, 206J-4, 206J-17, 206M-2, 206M-3, 206M-15, 206M-51,  
4 209-1, 209-26, 209-27, 209-29, 209-31, 209-32, 209-33, 209-34,  
5 209E-2, 210-1, 210-2, 210-4, 210-6, 210-7, 210-8, 210D-2,  
6 210D-5, 210D-10, 210D-11, 211D-1, 211E-1, 211E-3, 211E-4, 211F-2,  
7 211F-3, 212-5.5, 212-10, 213-1, 213-2, 225M-1, 225M-2, 225M-3,  
8 225M-4, 227D-2, 229-2, 235-17, 235-110.3, 235-110.46, 239-11,  
9 246-12, 279A-4, 279E-2, 302A-1314, 304A-1892, 304A-1893,  
10 342G-47, 342G-48, 342G-63, 342G-64, 371-17, 394-9, 445-112,  
11 474-4, 486J-1, 486J-5.3, 486J-6, 486J-7, 486J-8, and 486J-21,  
12 Hawaii Revised Statutes, are amendeded by replacing all references  
13 to:

14 (1) "Department of business, economic development, and  
15 tourism" with "department of business and economic  
16 development"; and

17 (2) "Director of business, economic development, and  
18 tourism" with "director of business and economic  
19 development",

20 as the context requires.

21 SECTION 7. All rights, powers, functions, and duties of  
22 the department of business, economic development, and tourism,



1 with respect to tourism functions only, are transferred to the  
2 department of tourism.

3 All officers and employees whose functions are transferred  
4 by this Act shall be transferred with their functions and shall  
5 continue to perform their regular duties upon their transfer,  
6 subject to the state personnel laws and this Act.

7 No officer or employee of the State having tenure shall  
8 suffer any loss of salary, seniority, prior service credit,  
9 vacation, sick leave, or other employee benefit or privilege as  
10 a consequence of this Act, and such officer or employee may be  
11 transferred or appointed to a civil service position without the  
12 necessity of examination; provided that the officer or employee  
13 possesses the minimum qualifications for the position to which  
14 transferred or appointed; and provided that subsequent changes  
15 in status may be made pursuant to applicable civil service and  
16 compensation laws.

17 An officer or employee of the State who does not have  
18 tenure and who may be transferred or appointed to a civil  
19 service position as a consequence of this Act shall become a  
20 civil service employee without the loss of salary, seniority,  
21 prior service credit, vacation, sick leave, or other employee  
22 benefits or privileges and without the necessity of examination;



1 provided that such officer or employee possesses the minimum  
2 qualifications for the position to which transferred or  
3 appointed.

4 If an office or position held by an officer or employee  
5 having tenure is abolished, the officer or employee shall not  
6 thereby be separated from public employment, but shall remain in  
7 the employment of the State with the same pay and classification  
8 and shall be transferred to some other office or position for  
9 which the officer or employee is eligible under the personnel  
10 laws of the State as determined by the head of the department or  
11 the governor.

12 SECTION 8. All rules, policies, procedures, guidelines,  
13 and other material adopted or developed by the department of  
14 business, economic development, and tourism with respect to the  
15 department of tourism shall remain in full force and effect  
16 until amended or repealed by the department of tourism pursuant  
17 to chapter 91, Hawaii Revised Statutes. In the interim, every  
18 reference to the department of business, economic development,  
19 and tourism in those rules, policies, procedures, guidelines,  
20 and other material as they relate to the department of tourism  
21 is amended to refer to the department of tourism or the director  
22 of tourism, as appropriate.



1 SECTION 9. All appropriations, records, equipment,  
2 machines, files, supplies, contracts, books, papers, documents,  
3 maps, and other personal property heretofore made, used,  
4 acquired, or held by the department of business, economic  
5 development, and tourism relating to the functions transferred  
6 to the department of tourism shall be transferred with the  
7 functions to which they relate.

8 SECTION 10. It is the intent of this Act not to jeopardize  
9 the receipt of any federal aid nor to impair the obligation of  
10 the State or any agency thereof to the holders of any bond  
11 issued by the State or by any such agency, and to the extent,  
12 and only to the extent, necessary to effectuate this intent, the  
13 governor may modify the strict provisions of this Act, but shall  
14 promptly report any such modification with reasons therefor to  
15 the legislature at its next session thereafter for review by the  
16 legislature.

17 SECTION 11. This Act does not affect rights and duties  
18 that matured, penalties that were incurred, and proceedings that  
19 were begun, before its effective date.

20 SECTION 12. During the interim period before the 2010  
21 legislative session, the governor shall prepare an  
22 organizational and functional plan for the orderly transition of



1 the functions transferred by this Act. The governor shall be  
2 assisted by a task force appointed by the governor consisting of  
3 representatives of the department of business, economic  
4 development, and tourism and the Hawaii tourism authority. The  
5 organizational and functional plan shall be submitted to the  
6 legislature no later than thirty days prior to the convening of  
7 the regular session of 2010 as part of the supplemental  
8 executive budget request.

9 SECTION 13. All acts passed during this regular session of  
10 2009, whether enacted before or after the passage of this Act,  
11 shall be amended to conform to this Act unless these acts  
12 specifically provide that this Act is being amended. Any  
13 amendment made by an Act of the regular session of 2009 to a law  
14 that is administered by the department of business, economic  
15 development, and tourism, and which is reenacted and made  
16 applicable to the department of tourism by this Act, shall be  
17 deemed to be an amendment to this Act.

18 SECTION 14. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.







**Report Title:**

Department of Tourism; Establishment

**Description:**

Creates a new department of tourism to assume the tourism-related functions of the department of business, economic development, and tourism. Effective 7/1/2010.

