
A BILL FOR AN ACT

RELATING TO THE HAWAII TOURISM AUTHORITY.

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

1 SECTION 1. In 2007, the legislature, cognizant of the
2 impact world events may have on the flow of tourists to our
3 State, created the tourism emergency trust fund as a mechanism
4 to protect our visitors and residents in the event of national
5 disasters, terrorist threats, and other catastrophic
6 emergencies. Act 201, Session Laws of Hawaii 2007, also
7 directed the Hawaii tourism authority to prepare and implement
8 response measures when there is a threat that may cause a
9 substantial interruption in the State's tourism industry. The
10 legislature finds that tourism emergencies may result from many
11 causes that were not originally contemplated by Act 201, Session
12 Laws of Hawaii 2007. A weakening national economy, recession,
13 and credit market crisis may not meet the standard of a
14 catastrophic event, making it difficult for the Hawaii tourism
15 authority to address these issues under current law.

16 The purpose of this Act is to broaden the scope of a
17 "tourism emergency" to include national or global economic
18 crises that impact Hawaii's largest industry, clarifying that no

1 action in response to a tourism emergency declaration may be
2 taken by the Hawaii tourism authority without the governor's
3 express approval, and to transfer the tourism research and
4 statistics duties from the department of business, economic
5 development, and tourism to the Hawaii tourism authority.

6 SECTION 2. Section 201-3, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"§201-3 Specific research and promotional functions of the**
9 **department.** Without prejudice to its general functions and
10 duties the department of business, economic development, and
11 tourism shall have specific functions in the following areas:

12 (1) Industrial development. The department shall
13 determine through technical and economic surveys the
14 profit potential of new or expanded industrial
15 undertakings; develop through research projects and
16 other means new and improved industrial products and
17 processes; promote studies and surveys to determine
18 consumer preference as to design and quality and to
19 determine the best methods of packaging, transporting,
20 and marketing the State's industrial products;
21 disseminate information to assist the present
22 industries of the State, to attract new industries to

1 the State, and to encourage capital investment in
2 present and new industries in the State; assist
3 associations of producers and distributors of
4 industrial products to introduce these products to
5 consumers; and make grants or contracts as may be
6 necessary or advisable to accomplish the foregoing;

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

18 (3) Credit development. The department shall conduct a
19 continuing study of agricultural and industrial credit
20 needs; encourage the development of additional private
21 and public credit sources for agricultural and
22 industrial enterprises; promote an informational

1 program to acquaint financial institutions with
2 agricultural and industrial credit needs and the
3 potential for agricultural and industrial expansion,
4 and inform producers of agricultural and industrial
5 products as to the manner in which to qualify for
6 loans; and make grants or contracts as may be
7 necessary or advisable to accomplish the foregoing;

8 (4) Promotion. The department shall disseminate
9 information developed for or by the department
10 pertaining to economic development to assist present
11 industry in the State, attract new industry and
12 investments to the State, and assist new and emerging
13 industry with good growth potential or prospects in
14 jobs, exports, and new products. The industrial and
15 economic promotional activities of the department may
16 include the use of literature, advertising,
17 demonstrations, displays, market testing, lectures,
18 travel, motion picture and slide films, and other
19 promotional and publicity devices as may be
20 appropriate; and

- 1 ~~[-(5) Tourism research and statistics. The department shall~~
2 ~~maintain a program of research and statistics for the~~
3 ~~purpose of:~~
- 4 ~~(A) Measuring and analyzing tourism trends;~~
5 ~~(B) Providing information and research to assist in~~
6 ~~the development and implementation of state~~
7 ~~tourism policy;~~
- 8 ~~(C) Encouraging and arranging for the conduct of~~
9 ~~tourism research and information development~~
10 ~~through voluntary means or through contractual~~
11 ~~services with qualified agencies, firms, or~~
12 ~~persons; and~~
- 13 ~~(D) Providing tourism information to policy makers,~~
14 ~~the public, and the visitor industry. This~~
15 ~~includes:~~
- 16 ~~(i) Collecting and publishing visitor-related~~
17 ~~data including visitor arrivals, visitor~~
18 ~~characteristics and expenditures;~~
- 19 ~~(ii) Collecting and publishing hotel-related~~
20 ~~statistics including the number of units~~
21 ~~available, occupancy rates, and room rates;~~

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

1 ages, geography, and the number of household wage
2 earners. The department shall report to the
3 legislature concerning the self-sufficiency standard
4 no later than twenty days prior to the convening of
5 the regular session of 2009, and every odd-numbered
6 year thereafter. The recommendations shall address,
7 among other things, the utilization of any federal
8 funding that may be available for the purposes of
9 establishing and updating the self-sufficiency
10 standard.

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

13 SECTION 3. Section 201B-7, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) The authority may enter into contracts and agreements
16 that include the following:

- 17 (1) Tourism promotion, marketing, and development;
- 18 (2) Market development-related research;
- 19 (3) Product development and diversification issues focused
20 on visitors;
- 21 (4) Promotion, development, and coordination of sports-
22 related activities and events;

1 (5) Promotion of Hawaii, through a coordinated statewide
2 effort, as a place to do business, including high
3 technology business, and as a business destination;

4 (6) Reduction of barriers to travel;

5 [+] (7) [+] Marketing, management, use, operation, or
6 maintenance of the convention center facility,
7 including the purchase or sale of goods or services,
8 logo items, concessions, sponsorships, and license
9 agreements, or any use of the convention center
10 facility as a commercial enterprise; provided that
11 effective January 1, 2003, and thereafter the contract
12 for management of the convention center facility shall
13 include marketing for all uses of the facility; ~~and~~

14 [+] (8) [+] Tourism research and statistics to:

15 (A) Measure and analyze tourism trends;

16 (B) Provide information and research to assist in the
17 development and implementation of state tourism
18 policy; and

19 (C) Provide tourism information on:

20 (i) Visitor arrivals, visitor characteristics,
21 and expenditures;

- 1 (ii) The number of transient accommodation units
2 available, occupancy rates, and room rates;
3 (iii) Airline-related data, including seat
4 capacity and number of flights;
5 (iv) The economic, social, and physical impacts
6 of tourism on the State; and
7 (v) The impact of ongoing marketing programs of
8 the authority on Hawaii's tourism industry,
9 employment in Hawaii, state taxes, and the
10 State's lesser known and underutilized
11 destinations; and

12 (9) Any and all other activities necessary to carry out
13 the intent of this chapter;
14 provided that for any contract or agreement valued at \$25,000
15 and over, the authority shall provide notice to the speaker of
16 the house of representatives and the president of the senate on
17 the same day that such notification is given to the governor."

18 SECTION 4. Section 201B-9, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "~~§~~**201B-9**~~§~~ **Tourism emergency.** (a) If the board
21 determines that the occurrence of a world conflict, terrorist
22 threat, national or global economic crisis, natural disaster,

1 outbreak of disease, or other catastrophic event, regardless of
2 when or where it occurs, adversely affects Hawaii's tourism
3 industry by resulting in a substantial interruption in the
4 commerce of the State and adversely affecting the welfare of its
5 people, the board shall submit a request to the governor to
6 declare that a tourism emergency exists.

7 (b) Upon declaration by the governor that a tourism
8 emergency exists pursuant to subsection (a), the authority shall
9 develop and implement measures to respond to the tourism
10 emergency, including providing assistance to tourists during the
11 emergency; provided that any tourism emergency response measure
12 implemented pursuant to this subsection shall not include any
13 provision that would adversely affect the organized labor force
14 in tourism-related industries. With respect to a national or
15 global economic crisis only, in addition to the governor's
16 declaration of the existence of a tourism emergency, no action
17 in response to the tourism emergency declaration may be taken by
18 the authority without the governor's express approval."

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

21 SECTION 6. This Act shall take effect on January 1, 2050.

Report Title:

Tourism Emergency; Hawaii Tourism Authority; Research and Statistics

Description:

Broadens the scope of a "tourism emergency" to include a national or global economic crisis. Removes the duties relating to tourism research and statistics from the department of business, economic development, and tourism and adds those duties to the Hawaii tourism authority. Effective 01/01/2050.
(SD2)