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## A BILL FOR AN ACT

RELATING TO HAWAII TOURISM AUTHORITY.

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

1           SECTION 1. Section 201B-3, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "~~§201B-3 Powers [and duties-],~~ generally. (a) Except as  
4 otherwise limited by this chapter, the authority may:

5           (1) Sue and be sued;

6           (2) Have a seal and alter the same at pleasure;

7           (3) Through its president and chief executive officer,  
8 make and execute contracts and all other instruments  
9 necessary or convenient for the exercise of its powers  
10 and functions under this chapter; provided that the  
11 authority may enter into contracts and agreements for  
12 a period of up to five years, subject to the  
13 availability of funds; and provided further that the  
14 authority may enter into agreements for the use of the  
15 convention center facility for a period of up to ten  
16 years;

17           (4) Make and alter bylaws for its organization and  
18 internal management;



- 1 (5) Unless otherwise provided in this chapter, adopt rules  
2 in accordance with chapter 91 with respect to its  
3 projects, operations, properties, and facilities;
- 4 (6) Through its president and chief executive officer,  
5 represent the authority in communications with the  
6 governor and the legislature;
- 7 (7) Through its president and chief executive officer,  
8 provide for the appointment of officers, agents, a  
9 sports coordinator, and employees, subject to the  
10 approval of the board, prescribing their duties and  
11 qualifications, and fixing their salaries, without  
12 regard to chapters 76 and 78, if there is no  
13 anticipated revenue shortfall in the tourism special  
14 fund and funds have been appropriated by the  
15 legislature and allotted as provided by law;
- 16 (8) Through its president and chief executive officer,  
17 purchase supplies, equipment, or furniture;
- 18 (9) Through its president and chief executive officer,  
19 allocate the space or spaces that are to be occupied  
20 by the authority and appropriate staff;
- 21 (10) Through its president and chief executive officer,  
22 engage the services of qualified persons to implement



- 1 the State's tourism marketing plan or portions thereof  
2 as determined by the authority;
- 3 (11) Through its president and chief executive officer,  
4 engage the services of consultants on a contractual  
5 basis for rendering professional and technical  
6 assistance and advice;
- 7 (12) Procure insurance against any loss in connection with  
8 its property and other assets and operations in  
9 amounts and from insurers as it deems desirable;
- 10 (13) Contract for or accept revenues, compensation,  
11 proceeds, and gifts or grants in any form from any  
12 public agency or any other source [~~including any~~  
13 ~~revenues or proceeds arising from the operation or use~~  
14 ~~of the convention center~~];
- 15 (14) Develop, coordinate, and implement state policies and  
16 directions for tourism and related activities taking  
17 into account the economic, social, and physical  
18 impacts of tourism on the State [~~and its natural~~  
19 ~~resources infrastructure, provided that the authority~~  
20 ~~shall support the efforts of other state and county~~  
21 ~~departments or agencies to manage, improve, and~~



- 1           ~~protect]~~, Hawaii's natural environment, and areas  
2           frequented by visitors;
- 3           (15) Have a permanent, strong focus on [~~marketing and~~  
4           ~~promotion;~~] brand management;
- 5           (16) Conduct market development-related research as  
6           necessary;
- 7           (17) Coordinate all agencies and advise the private sector  
8           in the development of tourism-related activities and  
9           resources;
- 10          (18) Work to eliminate or reduce barriers to travel to  
11          provide a positive and competitive business  
12          environment, including coordinating with the  
13          department of transportation on issues affecting  
14          airlines and air route development;
- 15          (19) Market and promote sports-related activities and  
16          events;
- 17          (20) Coordinate the development of new products with the  
18          counties and other persons in the public sector and  
19          private sector, including the development of sports,  
20          culture, health and wellness, education, technology,  
21          agriculture, and nature tourism;



- 1       (21) Establish a public information and educational program
- 2             to inform the public of tourism and tourism-related
- 3             problems;
- 4       (22) Encourage the development of tourism educational,
- 5             training, and career counseling programs;
- 6       (23) Establish a program to monitor, investigate, and
- 7             respond to complaints about problems resulting
- 8             directly or indirectly from the tourism industry and
- 9             taking appropriate action as necessary;
- 10       (24) Develop and implement emergency measures to respond to
- 11            any adverse effects on the tourism industry, pursuant
- 12            to section 201B-9;
- 13       (25) Set and collect rents, fees, charges, or other
- 14            payments for the lease, use, occupancy, or disposition
- 15            of the convention center facility without regard to
- 16            chapter 91;
- 17       (26) Notwithstanding chapter 171, acquire, lease as lessee
- 18            or lessor, own, rent, hold, and dispose of the
- 19            convention center facility in the exercise of its
- 20            powers and the performance of its duties under this
- 21            chapter; and



1           (27) Acquire by purchase, lease, or otherwise, and develop,  
2           construct, operate, own, manage, repair, reconstruct,  
3           enlarge, or otherwise effectuate, either directly or  
4           through developers, a convention center facility.

5           ~~[(b) The authority shall be responsible for:~~

6           ~~(1) Promoting, marketing, and developing the tourism~~  
7           ~~industry in the State;~~

8           ~~(2) Arranging for the conduct of research through~~  
9           ~~contractual services with the University of Hawaii or~~  
10           ~~any agency or other qualified persons concerning~~  
11           ~~social, economic, and environmental aspects of tourism~~  
12           ~~development in the State; provided that, where public~~  
13           ~~disclosure of information gathered by the authority~~  
14           ~~may place businesses at a competitive disadvantage and~~  
15           ~~impair or frustrate the authority's ability to obtain~~  
16           ~~information for a legitimate government function, the~~  
17           ~~authority may withhold from public disclosure~~  
18           ~~competitively sensitive information, including:~~

19           ~~(A) Completed survey and questionnaire forms;~~

20           ~~(B) Coding sheets; and~~

21           ~~(C) Database records of the information;~~



1       ~~(3) Providing technical or other assistance to agencies~~  
2       ~~and private industry upon request,~~  
3       ~~(4) Creating a vision and developing a long range~~  
4       ~~strategic plan for tourism in Hawaii, and~~  
5       ~~(5) Reviewing annually the expenditure of public funds by~~  
6       ~~any visitor industry organization with which the~~  
7       ~~authority contracts to perform tourism promotion,~~  
8       ~~marketing, and development and making recommendations~~  
9       ~~necessary to ensure the effective use of the funds for~~  
10       ~~the development of tourism. The authority shall also~~  
11       ~~prepare annually a report of expenditures, including~~  
12       ~~descriptions and evaluations of programs funded,~~  
13       ~~together with any recommendations the authority may~~  
14       ~~make and shall submit the report to the governor and~~  
15       ~~the legislature as part of the annual report required~~  
16       ~~under section 201B-16.~~

17       ~~(e)]~~ (b) The authority shall do any and all things  
18 necessary to carry out its purposes, to exercise the powers and  
19 responsibilities given in this chapter, and to perform other  
20 functions required or authorized by law."

21       SECTION 2. Section 201B-6, Hawaii Revised Statutes, is  
22 amended to read as follows:



1           "§201B-6   ~~[Tourism marketing]~~ Brand management plan;  
2 measures of effectiveness. (a) The authority shall be  
3 responsible for developing a ~~[tourism marketing]~~ Hawaii brand  
4 management plan that shall be updated every year and includes  
5 the following:

6           (1) Statewide ~~[promotional]~~ brand management efforts and  
7           programs;

8           (2) Targeted markets;

9           (3) Efforts to enter into brand ~~[marketing]~~ management  
10          projects that make effective use of cooperative  
11          ~~[advertising]~~ programs;

12          (4) Program performance goals and targets that can be  
13          monitored as market gauges and used as attributes to  
14          evaluate the authority's ~~[promotional]~~ programs; and

15          (5) ~~[Coordination of marketing plans of all destination~~  
16          ~~marketing organizations receiving state funding prior~~  
17          ~~to finalization of the authority's marketing plan.]~~

18          The authority's guidance and direction for the  
19          development and coordination of promotional and  
20          marketing programs that build and promote the Hawaii  
21          brand, which are implemented through contracts and





- 1           agreements with destination marketing organizations or
- 2           other qualified organizations, including:
- 3           (A) Target markets and the results being sought;
- 4           (B) Key performance indicators; and
- 5           (C) Private sector collaborative or cooperative
- 6           efforts that may be required.

7 As used in this subsection, "Hawaii brand" means the programs  
8 that collectively differentiate the Hawaii experience from other  
9 destinations.

10           (b) In accordance with subsection (a), the authority shall  
11 develop measures of effectiveness to assess the overall benefits  
12 and effectiveness of the [~~marketing~~] brand management plan and  
13 include documentation of the progress of the [~~marketing~~] plan  
14 towards achieving the authority's strategic plan goals."

15           SECTION 3. Section 201B-7, Hawaii Revised Statutes, is  
16 amended to read as follows:

17           "**§201B-7 Tourism-related activities.** (a) The authority  
18 may enter into contracts and agreements that include the  
19 following:

- 20           (1) Tourism promotion, marketing, and development;
- 21           (2) Market development-related research;



- 1           (3) Product development and diversification issues focused
- 2           on visitors;
- 3           (4) Promotion, development, and coordination of sports-
- 4           related activities and events;
- 5           (5) Promotion of Hawaii, through a coordinated statewide
- 6           effort, as a place to do business, including high
- 7           technology business, and as a business destination;
- 8           (6) Reduction of barriers to travel;
- 9           (7) Marketing, management, use, operation, or maintenance
- 10          of the convention center facility, including the
- 11          purchase or sale of goods or services, logo items,
- 12          concessions, sponsorships, and license agreements, or
- 13          any use of the convention center facility as a
- 14          commercial enterprise; provided that effective
- 15          January 1, 2003, and thereafter, the contract for
- 16          management of the convention center facility shall
- 17          include marketing for all uses of the facility;
- 18          (8) Tourism research and statistics to:
- 19             (A) Measure and analyze tourism trends;
- 20             (B) Provide information and research to assist in the
- 21             development and implementation of state tourism
- 22             policy;



- 1 (C) Provide tourism information on:
- 2 (i) Visitor arrivals, visitor characteristics,
- 3 and expenditures;
- 4 (ii) The number of transient accommodation units
- 5 available, occupancy rates, and room rates;
- 6 (iii) Airline-related data including seat capacity
- 7 and number of flights;
- 8 (iv) The economic, social, and physical impacts
- 9 of tourism on the State; and
- 10 (v) The effects of the marketing programs of the
- 11 authority on the measures of effectiveness
- 12 developed pursuant to section 201B-6(b); and
- 13 (9) Any and all other activities necessary to carry out
- 14 the intent of this chapter;

15 provided that the authority shall periodically submit a report  
16 of the contracts and agreements entered into by the authority to  
17 the governor, the speaker of the house of representatives, and  
18 the president of the senate.

- 19 (b) The authority shall be responsible for:
- 20 (1) Creating a vision and developing a long-range
- 21 strategic plan for tourism in Hawaii;

- 1        (2) Promoting, marketing, and developing the tourism  
2        industry in the State;
- 3        (3) Arranging for the conduct of research through  
4        contractual services with the University of Hawaii or  
5        any agency or other qualified persons concerning  
6        social, economic, and environmental aspects of tourism  
7        development in the State;
- 8        (4) Providing technical or other assistance to agencies  
9        and private industry upon request; and
- 10       (5) Reviewing annually the expenditure of public funds by  
11       any visitor industry organization with which the  
12       authority contracts to perform tourism promotion,  
13       marketing, and development and making recommendations  
14       necessary to ensure the effective use of the funds for  
15       the development of tourism.

16       ~~[(b)]~~ (c) The authority may delegate to staff the  
17 responsibility for soliciting, awarding, and executing  
18 contracts, and monitoring and facilitating any and all functions  
19 developed in accordance with ~~[subsection (a).]~~ this section.

20       (d) Where public disclosure of information gathered or  
21 developed by the authority may place businesses or the state  
22 tourism economy at a competitive disadvantage and impair or



1 frustrate the authority's ability to obtain or utilize  
2 information for a legitimate government function, the authority  
3 may withhold from public disclosure competitively sensitive  
4 information, including:

- 5       (1) Information that is proprietary to a particular  
6       enterprise or the disclosure of which might be harmful  
7       to the business interests of the enterprise; or  
8       (2) Information that is necessary to protect Hawaii's  
9       competitive advantage as a visitor destination;  
10       provided that information relating to marketing plans  
11       and strategies may be disclosed after the execution of  
12       the marketing plans and strategies."

13       SECTION 4. Section 201B-16, Hawaii Revised Statutes, is  
14 amended to read as follows:

15       "[\+]§201B-16[\+] **Annual report.** The authority shall submit  
16 a complete and detailed report of its activities, expenditures,  
17 and results to the governor and the legislature at least twenty  
18 days prior to the convening of each regular session of the  
19 legislature. The annual report shall include a report of  
20 expenditures, including descriptions and evaluations of programs  
21 funded, together with any recommendations the authority may  
22 make."



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

3 SECTION 6. This Act shall take effect upon its approval.  
4

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# H.B. NO. 2436

**Report Title:**

Hawaii Tourism Authority; Brand Management Plan

**Description:**

Requires the Hawaii Tourism Authority to develop a brand management plan, which includes promoting tourism in the State with destination marketing and other organizations. Allows the Hawaii Tourism Authority to withhold sensitive information from public disclosure if it may be harmful to business interests or necessary to protect Hawaii's competitive advantage as a visitor destination. Requires the Hawaii Tourism Authority's annual report to include expenditures with descriptions and evaluations of programs funded, and recommendations. Makes various clarifying and housekeeping amendments throughout chapter 201B, HRS.

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