
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. 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~~+~~, and 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 by amending subsection (a) to read as follows:



1 (a) The authority shall be responsible for developing a
2 tourism marketing plan as a single comprehensive document that
3 shall be updated every year and includes the following:

4 (1) Statewide promotional efforts and programs;

5 (2) Targeted markets;

6 (3) Efforts to enter into brand marketing and management
7 projects that make effective use of cooperative
8 ~~[advertising]~~ programs;

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

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

15 The authority's guidance and direction for the
16 development and coordination of promotional and
17 marketing programs that build and promote the Hawaii
18 brand, which are implemented through contracts and
19 agreements with destination marketing organizations or
20 other qualified organizations, including:

21 (A) Target markets and the results being sought;

22 (B) Key performance indicators; and



1 (C) Private sector collaborative or cooperative
2 efforts that may be required.

3 As used in this subsection, "Hawaii brand" means the programs
4 that collectively differentiate the Hawaii experience from other
5 destinations."

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

8 "**§201B-7 Tourism-related activities.** (a) The authority
9 may enter into contracts and agreements that include the
10 following:

- 11 (1) Tourism promotion, marketing, and development;
- 12 (2) Market development-related research;
- 13 (3) Product development and diversification issues focused
14 on visitors;
- 15 (4) Promotion, development, and coordination of sports-
16 related activities and events;
- 17 (5) Promotion of Hawaii, through a coordinated statewide
18 effort, as a place to do business, including high
19 technology business, and as a business destination;
- 20 (6) Reduction of barriers to travel;
- 21 (7) Marketing, management, use, operation, or maintenance
22 of the convention center facility, including the



1 purchase or sale of goods or services, logo items,
2 concessions, sponsorships, and license agreements, or
3 any use of the convention center facility as a
4 commercial enterprise; provided that effective
5 January 1, 2003, and thereafter, the contract for
6 management of the convention center facility shall
7 include marketing for all uses of the facility;

8 (8) Tourism research and statistics to:

9 (A) Measure and analyze tourism trends;

10 (B) Provide information and research to assist in the
11 development and implementation of state tourism
12 policy; and

13 (C) Provide tourism information on:

14 (i) Visitor arrivals, visitor characteristics,
15 and expenditures;

16 (ii) The number of transient accommodation units
17 available, occupancy rates, and room rates;

18 (iii) Airline-related data including seat capacity
19 and number of flights;

20 (iv) The economic, social, and physical impacts
21 of tourism on the State; and



1 (v) The effects of the marketing programs of the
2 authority on the measures of effectiveness
3 developed pursuant to section 201B-6(b); and

4 (9) Any and all other activities necessary to carry out
5 the intent of this chapter;
6 provided that the authority shall periodically submit a report
7 of the contracts and agreements entered into by the authority to
8 the governor, the speaker of the house of representatives, and
9 the president of the senate.

10 (b) The authority shall be responsible for:

11 (1) Creating a vision and developing a long-range
12 strategic plan for tourism in Hawaii;

13 (2) Promoting, marketing, and developing the tourism
14 industry in the State;

15 (3) Arranging for the conduct of research through
16 contractual services with the University of Hawaii or
17 any agency or other qualified persons concerning
18 social, economic, and environmental aspects of tourism
19 development in the State;

20 (4) Providing technical or other assistance to agencies
21 and private industry upon request; and



1 (5) Reviewing annually the expenditure of public funds by
2 any visitor industry organization with which the
3 authority contracts to perform tourism promotion,
4 marketing, and development and making recommendations
5 necessary to ensure the effective use of the funds for
6 the development of tourism.

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

11 (d) Where public disclosure of information gathered or
12 developed by the authority may place businesses or the state
13 tourism economy at a competitive disadvantage and impair or
14 frustrate the authority's ability to obtain or utilize
15 information for a legitimate government function, the authority
16 may withhold from public disclosure competitively sensitive
17 information, including:

18 (1) Information that is proprietary to a particular
19 enterprise or the disclosure of which might be harmful
20 to the business interests of the enterprise; or

21 (2) Information that is necessary to protect Hawaii's
22 competitive advantage as a visitor destination;



1 provided that information relating to marketing plans
2 and strategies may be disclosed after the execution of
3 the marketing plans and strategies."

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

6 "~~+~~**§201B-16**~~+~~ **Annual report.** The authority shall submit
7 a complete and detailed report of its activities, including but
8 not limited to descriptions and evaluations of programs funded,
9 expenditures, [and] results of the progress of its marketing
10 plan toward achieving the authority's strategic plan goals, and
11 any recommendations the authority may make to the governor and
12 the legislature at least twenty days prior to the convening of
13 each regular session of the legislature."

14 SECTION 5. Section 237D-6.5, Hawaii Revised Statutes, is
15 amended by amending subsection (b) to read as follows:

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

- 19 (1) \$33,000,000 shall be allocated to the convention
20 center enterprise special fund established under
21 section 201B-8;



1 (2) \$82,000,000 shall be allocated to the tourism special
2 fund established under section 201B-11; provided that:

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

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

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

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

21 (C) Of the revenues remaining in the tourism special
22 fund after revenues have been deposited as



1 provided in this paragraph and except for any sum
2 authorized by the legislature for expenditure
3 from revenues subject to this paragraph,
4 beginning July 1, 2007, funds shall be deposited
5 into the tourism emergency trust fund,
6 established in section 201B-10, in a manner
7 sufficient to maintain a fund balance of
8 \$5,000,000 in the tourism emergency trust fund;

9 (3) \$93,000,000 shall be allocated as follows: Kauai
10 county shall receive 14.5 per cent, Hawaii county
11 shall receive 18.6 per cent, city and county of
12 Honolulu shall receive 44.1 per cent, and Maui county
13 shall receive 22.8 per cent; provided that commencing
14 with fiscal year 2018-2019, a sum that represents the
15 difference between a county public employer's annual
16 required contribution for the separate trust fund
17 established under section 87A-42 and the amount of the
18 county public employer's contributions into that trust
19 fund shall be retained by the state director of
20 finance and deposited to the credit of the county
21 public employer's annual required contribution into
22 that trust fund in each fiscal year, as provided in



1 section 87A-42, if the respective county fails to
2 remit the total amount of the county's required annual
3 contributions, as required under section 87A-43; and
4 (4) Of the excess revenues deposited into the general fund
5 pursuant to this subsection, \$3,000,000 shall be
6 allocated subject to the mutual agreement of the board
7 of land and natural resources and the board of
8 directors of the Hawaii tourism authority in
9 accordance with the Hawaii tourism authority strategic
10 plan for:

- 11 (A) The protection, preservation, and enhancement of
12 natural resources important to the visitor
13 industry;
- 14 (B) Planning, construction, and repair of facilities;
15 and
- 16 (C) Operation and maintenance costs of public lands
17 connected with enhancing the visitor experience.

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

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

6 SECTION 7. This Act shall take effect upon its approval.

7



Report Title:

Hawaii Tourism Authority; Marketing Plan; Annual Report

Description:

Clarifies the Hawaii tourism authority's powers. Requires the Hawaii tourism authority's tourism marketing plan to be a single, comprehensive document that includes certain guidance to contracted organizations. Requires the Hawaii tourism authority to submit a complete and detailed report of the results of the progress of its marketing plan toward achieving the authority's strategic plan goals, any recommendations, and descriptions and evaluations of programs funded as part of its annual report to the governor and legislature. Permits the authority to withhold from public disclosure competitively sensitive information under certain circumstances. Makes housekeeping amendments throughout chapter 201B, Hawaii Revised Statutes and section 237D-6.5, Hawaii Revised Statutes. (SD1)

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

