

JAN 17 2014

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



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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

INTRODUCED BY: Quint White

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J

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S.B. NO. 2432

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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