

STAND. COM. REP. NO.

1119

Honolulu, Hawaii

March 17, 2017

RE: S.B. No. 1084
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred S.B. No. 1084, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY,"

begs leave to report as follows:

The purpose of this measure is to address the operations of the Hawaii Tourism Authority (Authority) by:

- (1) Requiring the disclosure of specific financial and other information;
- (2) Repealing the Authority's exemption from the Hawaii Public Procurement Code;
- (3) Setting the expenditure amount requiring Board of Director (Board) approval;
- (4) Amending the appointment process of certain Board members; and
- (5) Requiring the Authority to establish an advisory group that meets monthly.



The Hawaii Lodging & Tourism Association, Better Media, and Island Air supported this measure. The Hawaii Tourism Authority, International Longshore and Warehouse Union Local 142, Hilton Hawaii, Hawaiian Hotels & Resorts, The Royal Hawaiian and a concerned individual opposed this measure. The State Procurement Office, Office of Information Practices, and Society of Professional Journalists Hawaii Chapter offered comments.

Your Committee has amended this measure by:

- (1) Deleting language that required the President of the Senate and the Speaker of the House of Representatives to appoint a replacement member of the Board if a vacancy continues after 90 days;
- (2) Deleting language that required the Board's executive meeting minutes to be available to any legislator upon request;
- (3) Deleting language that required the Authority to contemporaneously provide an additional report of contracts and agreements that may be disclosed to the public with competitively sensitive information redacted;
- (4) Deleting language that required Authority expenditures of more than \$50,000 to be approved by the Board;
- (5) Requiring the Board to develop policies and procedures on approving any expenditures of excess or carryover funds;
- (6) Restoring statutory language that exempted the Authority from the Hawaii Public Procurement Code, Chapter 103D, Hawaii Revised Statutes;
- (7) Restoring statutory language that allows the Authority to establish an advisory group that may meet monthly; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1084, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1084, S.D. 2, H.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Tourism,


RICHARD H.K. ONISHI, Chair



