
A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,
AND TOURISM.

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

1 SECTION 1. The legislature finds that prior to the
2 coronavirus pandemic, the effects of tourism on Hawaii's
3 economy, environment, and way of life for residents was
4 undergoing reflection and change. However, the impact of the
5 pandemic on the State and residents provided a greater
6 opportunity to rethink and transform Hawaii's tourism industry
7 for a post-pandemic world in a manner beneficial for Hawaii and
8 its future.

9 In July 2021, the Hawaii tourism authority announced its
10 intent to become a more effective destination management
11 organization. The legislature notes that destination management
12 has become a major focus of the Hawaii tourism authority and is
13 at the heart of its 2020-2025 Strategic Plan Update. The
14 legislature further notes that the Hawaii tourism authority
15 reorganized its structure and operations to support the goal of
16 *Mālama Ku'u Home* (caring for my beloved home) through the



1 principles of regenerative tourism. Tourism marketing and
2 tourism management are fundamental responsibilities of the
3 Hawaii tourism authority and are critical to sustainable
4 tourism.

5 The legislature further finds that according to the Hawaii
6 state planning act, planning for the State's economy regarding
7 the visitor industry shall be directed toward achievement of a
8 visitor industry that constitutes a major component of steady
9 growth for Hawaii's economy. To achieve the visitor industry
10 objective, state policy specifies, among other areas, ensuring
11 that visitor industry activities are in keeping with the social,
12 economic, and physical needs and aspirations of Hawaii's people;
13 and encouraging cooperation and coordination between the
14 government and private sectors in developing and maintaining
15 well-designed, adequately serviced visitor industry and related
16 developments, which are sensitive to neighboring communities and
17 activities. Tourism growth, development, and management in the
18 State must be aligned with the objectives and policies of the
19 Hawaii State Planning Act.

20 Accordingly, the purpose of this Act is to:



(1) Ensure that the scope and responsibilities of the Hawaii tourism authority encompass best practice destination management and regenerative tourism; and

(2) Require the Hawaii tourism authority to develop a tourism management plan that includes tourism marketing, best practice destination management, and regenerative tourism.

SECTION 2. Section 201B-1, Hawaii Revised Statutes, is amended by adding two new definitions to be appropriately inserted and to read as follows:

"Best practice destination management" means a holistic process that ensures that tourism adds value to the economy, social fabric, and ecology of communities.

"Regenerative tourism" means tourism that focuses on reducing harm associated with tourism and restoring the harm that tourism has already done to the natural environment through collective holistic efforts to make net positive contributions; create conditions that allow life to flourish; and improve destinations for current and future generations for the well-being of the environment, residents, host communities, and visitors."



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

3 "(a) Except as otherwise limited by this chapter, the
4 authority may:

5 (1) Sue and be sued;

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

19 (5) Unless otherwise provided in this chapter, adopt rules
20 in accordance with chapter 91 with respect to its
21 projects, operations, properties, and facilities;



1 (6) Through its president and chief executive officer,
2 represent the authority in communications with the
3 governor and the legislature;

4 (7) Through its president and chief executive officer,
5 provide for the appointment of officers, agents, a
6 sports coordinator, and employees, subject to the
7 approval of the board, prescribing their duties and
8 qualifications, and fixing their salaries, without
9 regard to chapters 76 and 78, if funds have been
10 appropriated by the legislature and allotted as
11 provided by law;

12 (8) Through its president and chief executive officer,
13 purchase supplies, equipment, or furniture;

14 (9) Through its president and chief executive officer,
15 allocate the space or spaces that are to be occupied
16 by the authority and appropriate staff;

17 (10) Through its president and chief executive officer,
18 engage the services of qualified persons to implement
19 the State's tourism [~~marketing~~] management plan or
20 portions thereof as determined by the authority;



1 (11) Through its president and chief executive officer,
2 engage the services of consultants on a contractual
3 basis for rendering professional and technical
4 assistance and advice;

5 (12) Procure insurance against any loss in connection with
6 its property and other assets and operations in
7 amounts and from insurers as it deems desirable;

8 (13) Contract for or accept revenues, compensation,
9 proceeds, and gifts or grants in any form from any
10 public agency or any other source;

11 (14) Develop, coordinate, and implement state policies and
12 directions for tourism and related activities taking
13 into account the economic, social, and physical
14 impacts of tourism on the State, Hawaii's natural
15 environment~~[, and]~~; areas frequented by visitors; best
16 practice destination management; and regenerative
17 tourism;

18 (15) Have a permanent, strong focus on Hawaii brand
19 management;



1 (16) Coordinate all agencies and advise the private sector
2 in the development of tourism-related activities and
3 resources;

4 (17) Work to eliminate or reduce barriers to travel to
5 provide a positive and competitive business
6 environment, including coordinating with the
7 department of transportation on issues affecting
8 airlines and air route development;

9 (18) Market and promote sports-related activities and
10 events;

11 (19) Coordinate the development of new products with the
12 counties and other persons in the public sector and
13 private sector, including the development of sports,
14 culture, health and wellness, education, technology,
15 agriculture, and nature tourism;

16 (20) Establish a public information and educational program
17 to inform the public of tourism and tourism-related
18 problems;

19 (21) Encourage the development of tourism educational,
20 training, and career counseling programs;



- 1 (22) Establish a program to monitor, investigate, and
2 respond to complaints about problems resulting
3 directly or indirectly from the tourism industry and
4 taking appropriate action as necessary;
- 5 (23) Develop and implement emergency measures to respond to
6 any adverse effects on the tourism industry, pursuant
7 to section 201B-9;
- 8 (24) Set and collect rents, fees, charges, or other
9 payments for the lease, use, occupancy, or disposition
10 of the convention center facility without regard to
11 chapter 91;
- 12 (25) Notwithstanding chapter 171, acquire, lease as lessee
13 or lessor, own, rent, hold, and dispose of the
14 convention center facility in the exercise of its
15 powers and the performance of its duties under this
16 chapter; and
- 17 (26) Acquire by purchase, lease, or otherwise, and develop,
18 construct, operate, own, manage, repair, reconstruct,
19 enlarge, or otherwise effectuate, either directly or
20 through developers, a convention center facility."



SECTION 4 Section 201B-6, Hawaii Revised Statutes, is amended to read as follows:

"§201B-6 Tourism [~~marketing~~] management plan; measures of effectiveness. (a) The authority shall be responsible for developing a tourism [~~marketing~~] management plan[-] that includes tourism marketing, best practice destination management, and regenerative tourism. The plan shall be a single, comprehensive document that shall be updated every year and include the following:

- (1) Statewide Hawaii brand management efforts and programs;
- (2) Targeted markets;
- (3) Efforts to enter into Hawaii brand management projects that make effective use of cooperative programs;
- (4) Program performance goals and targets that can be monitored as market gauges and used as attributes to evaluate the authority's programs; and
- (5) The authority's guidance and direction for the development and coordination of promotional and marketing programs that build and promote the Hawaii 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 [~~section~~], subsection, "Hawaii brand" means
8 the programs that collectively differentiate the Hawaii
9 experience from other 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~~] tourism management plan and
13 include documentation of the progress of the [~~marketing~~] tourism
14 management plan [~~towards~~] toward achieving the authority's
15 strategic plan goals."

16 SECTION 5. Section 201B-7, Hawaii Revised Statutes, is
17 amended by amending subsections (a) and (b) to read as follows:

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

20 (1) Tourism promotion, marketing, [~~and~~] development[+],
21 and management;



- 1 (2) Market development-related research;
- 2 (3) Product development and diversification issues focused
- 3 on visitors;
- 4 (4) Promotion, development, and coordination of sports-
- 5 related activities and events;
- 6 (5) Promotion of Hawaii, through a coordinated statewide
- 7 effort, as a place to do business, including high
- 8 technology business, and as a business destination;
- 9 (6) Reduction of barriers to travel;
- 10 (7) Marketing, management, use, operation, or maintenance
- 11 of the convention center facility, including the
- 12 purchase or sale of goods or services, logo items,
- 13 concessions, sponsorships, and license agreements, or
- 14 any use of the convention center facility as a
- 15 commercial enterprise; provided that effective
- 16 January 1, 2020, and thereafter, contracts issued
- 17 pursuant to this paragraph for the marketing of all
- 18 uses of the convention center facility may be issued
- 19 separately from the management, use, operation, or
- 20 maintenance of the facility;
- 21 (8) Tourism research and statistics to:



- 1 (A) Measure and analyze tourism trends;
- 2 (B) Provide information and research to assist in the
3 development and implementation of state tourism
4 policy; and
- 5 (C) Provide tourism information on:
- 6 (i) Visitor arrivals, visitor characteristics,
7 and expenditures;
- 8 (ii) The number of transient accommodation units
9 available, occupancy rates, and room rates;
- 10 (iii) Airline-related data including seat capacity
11 and number of flights;
- 12 (iv) The economic, social, and physical impacts
13 of tourism on the State; and
- 14 (v) The effects of the marketing programs of the
15 authority on the measures of effectiveness
16 developed pursuant to section 201B-6(b); and
- 17 (9) Any and all other activities necessary to carry out
18 the intent of this chapter;
- 19 provided that the authority shall periodically submit a report
20 of the contracts and agreements entered into by the authority to



1 the governor, the speaker of the house of representatives, and
2 the president of the senate.

3 (b) The authority shall be responsible for:

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

6 (2) Promoting, marketing, and developing the tourism
7 industry in the State[+] that includes best practice
8 destination management and regenerative tourism;

9 (3) Arranging for the conduct of research through
10 contractual services with the University of Hawaii or
11 any agency or other qualified persons concerning
12 social, economic, and environmental aspects of tourism
13 development in the State;

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

16 (5) Perpetuating the uniqueness of the native Hawaiian
17 culture and community, and their importance to the
18 quality of the visitor experience, by ensuring that:

19 (A) The Hawaiian culture is accurately portrayed by
20 Hawaii's visitor industry;



1 (B) Hawaiian language is supported and normalized as
2 both an official language of the State as well as
3 the foundation of the host culture that draws
4 visitors to Hawaii;

5 (C) Hawaiian cultural practitioners and cultural
6 sites that give value to Hawaii's heritage are
7 supported, nurtured, and engaged in sustaining
8 the visitor industry; and

9 (D) A native Hawaiian cultural education and training
10 program is provided for the visitor industry
11 workforce having direct contact with visitors;
12 and

13 (6) Reviewing annually the expenditure of public funds by
14 any visitor industry organization that contracts with
15 the authority to perform tourism promotion, marketing,
16 and development and making recommendations necessary
17 to ensure the effective use of the funds for the
18 management and development of tourism."

19 SECTION 6. Section 201B-13, Hawaii Revised Statutes, is
20 amended by amending subsection (b) to read as follows:



1 "(b) The authority may establish an advisory group that
2 may meet monthly or as the authority deems necessary, which may
3 include the director of business, economic development, and
4 tourism, director of transportation, chairperson of the board of
5 land and natural resources, and executive director of the state
6 foundation on culture and the arts, to advise the authority on
7 matters relating to their respective departments or agency in
8 the preparation and execution of suggested:

9 (1) Measures to respond to tourism emergencies pursuant to
10 section 201B-9;

11 (2) Programs for the management, improvement, and
12 protection of Hawaii's natural environment and other
13 areas frequented by visitors;

14 (3) Measures to address issues affecting airlines, air
15 routes, and barriers to travel to Hawaii; ~~[and]~~

16 (4) Programs to perpetuate the cultures of Hawaii and
17 engage local communities to sustain and preserve the
18 native Hawaiian culture~~[-]~~; and

19 (5) Programs that include tourism marketing, best practice
20 destination management, and regenerative tourism as
21 part of an overall tourism management plan."



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

"§201B-16 Annual report. The authority shall submit a complete and detailed report of its activities, expenditures, and results, including the progress of the tourism ~~[marketing]~~ management plan developed pursuant to section 201B-6, toward achieving the authority's strategic plan goals, to the governor and the legislature at least twenty days prior to the convening of each regular session of the legislature. The annual report shall include the descriptions and evaluations of programs funded, together with any recommendations the authority may make."

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.



Report Title:

Hawaii Tourism Authority; Tourism Management Plan; Best Practice Destination Management; Regenerative Tourism

Description:

Includes best practice destination management and regenerative tourism under the scope and responsibilities of the Hawaii Tourism Authority. Requires the Hawaii Tourism Authority to develop a tourism management plan that includes tourism marketing, best practice destination management, and regenerative tourism. (Proposed SD1)

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