
A BILL FOR AN ACT

RELATING TO HOTEL WORKERS.

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

1 SECTION 1. The legislature finds that, according to the
2 university of Hawaii, the accommodation and food services sector
3 of the State's economy employed 113,417 people in 2020.
4 Throughout the State, hotels are privately owned by
5 multinational corporations having directors, executives, and
6 shareholders that are not residents of the State. Hotels are
7 bought and sold on the open market regularly and numerous
8 industries throughout the United States operate successfully as
9 cooperatives.

10 The legislature believes that developing a process for
11 employees of a bankrupt hotel to purchase and operate that hotel
12 as a cooperative business could prevent increased unemployment
13 in the State. The Priory Hotel in Scotland, the hotels of
14 Quaintance-Weaver Restaurants and Hotels in North Carolina, and
15 the hotels of TPI Hospitality in Minnesota are some of the many
16 successful employee-owned hotels.



1 Accordingly, the purpose of this Act is to provide grants
2 to match funds for hotel employees to buy hotels and establish
3 employee-owned hotel cooperatives.

4 SECTION 2. (a) The department of business, economic
5 development, and tourism shall establish a program to provide
6 grants for hotel employees or entities entirely owned by hotel
7 employees to purchase hotels and convert the properties into
8 employee-owned hotel cooperatives; provided that no funds shall
9 be made available to any hotel employee or entity entirely owned
10 by hotel employees unless that hotel employee or entity entirely
11 owned by hotel employees provides matching funds on a
12 dollar-for-dollar basis.

13 (b) The department of business, economic development, and
14 tourism shall adopt rules in accordance with chapter 91, Hawaii
15 Revised Statutes, as may be necessary to effectuate the program
16 established under this section.

17 (c) The program established by this section shall
18 terminate on June 30, 2033.

19 SECTION 3. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so much
21 thereof as may be necessary for fiscal year 2023-2024 and the



H.B. NO. 604

Report Title:

Hotel Workers; DBEDT; Employee-Owned Cooperative; Grant; Appropriation

Description:

Requires the Department of Business, Economic Development, and Tourism to develop a program to provide grants to match funds for hotel employees to buy hotels and establish employee-owned hotel cooperatives. Appropriates moneys.

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