

STAND. COM. REP. NO.

1878

Honolulu, Hawaii

APR 06 2023

RE: H.B. No. 1375  
H.D. 3  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1375, H.D. 3, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

begs leave to report as follows:

The purpose and intent of this measure is to dissolve the Hawaii Tourism Authority and replace it with the Office of Tourism and Destination Management.

Your Committee received written comments in opposition to this measure from CountyTalkStory.com.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Tourism Authority; Tax Foundation of Hawaii; Grassroot Institute of Hawaii; and Maui Hotel and Lodging Association.

Your Committee finds that establishing an Office of Tourism and Destination Management with the powers and duties set forth in this measure will help to prevent future mismanagement of Hawaii's tourism marketing contracts and the Hawaii Convention Center.



Your Committee has amended this measure by:

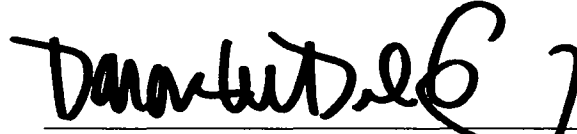
- (1) Requiring that the Governor appoint each of the five members of the Board of Directors of the Office of Tourism and Destination Management who represent a particular industry or have a particular background;
- (2) Requiring that the President of the Senate appoint each of the two members representing the County of Maui and the County of Kauai;
- (3) Requiring that the Speaker of the House of Representatives appoint each of the two members representing the County of Hawaii and the City and County of Honolulu;
- (4) Fixing the salary of the Executive Director of the Office of Tourism and Destination Management at ninety percent of the Director of Business, Economic Development, and Tourism, and making the position eligible for the same health and retirement benefits available to other public employees;
- (5) Increasing the appropriation to the Office of Tourism and Destination Management from \$50,000,000 to \$60,000,000 and specifying that the appropriation shall be allocated as follows:
  - (A) \$4,110,649 for administrative costs;
  - (B) \$17,969,351 for destination management; and
  - (C) \$37,920,000 for branding, including major sports;
- (6) Adding an appropriation of \$64,000,000 for repairs and improvements to the Convention Center's rooftop terrace deck;
- (7) Making most sections of the measure effective upon approval, except for sections with fiscal implications, which take effect on July 1, 2023; and



- (8) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1375, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1375, H.D. 3, S.D. 2.

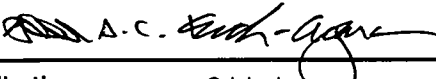
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-Second Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1375 HD 3 SD1	EET/PSM, WAM	4/6/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo		X		
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn				X
FEVELLA, Kurt				X
<b>TOTAL</b>	10	1		2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes