

A Bill for an Act Relating to Tourism.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the continued health and viability of our visitor industry is of the utmost importance to the economic well-being of our State. The legislature also finds that marketing is one of the primary tools that can guide further development of the visitor industry in the manner most beneficial to the residents of Hawaii and the natural environment. The legislature further finds that the state functional plan on tourism of 1991, prepared by the department of business, economic development, and tourism in accordance with chapter 226, Hawaii Revised Statutes, calls for the formulation of multi-year marketing plans for base markets, developing markets, and new markets.

The purpose of this Act is to:

- (1) Require the office of tourism to prepare and annually update a tourism marketing plan for the upcoming five years;
- (2) Require the office to submit the updated tourism marketing plan to the legislature prior to the convening of each regular session; and
- (3) Require all marketing plans including those of destination marketing organizations receiving state funding and departmentally initiated plans to be submitted prior to finalization to allow the office of tourism to coordinate all the marketing plans with the office's tourism marketing plan.

SECTION 2. Section 201-94, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

“(f) The council shall annually review, evaluate, and make recommendations to the department on the State's tourism marketing and promotion programs and activities. Copies of the council's findings and recommendations shall be furnished to the governor and legislature. The [review] reviews and recommendations [by] of the council shall include but not be limited to:

- (1) The [biennial] five-year tourism marketing plan;
- (2) Implementation of the [biennial] five-year tourism marketing plan; and
- (3) Inventory and analysis of visitor satisfaction and [complaints.] complaint reports.”

SECTION 3. Section 203-5, Hawaii Revised Statutes, is amended to read as follows:

“§203-5 [Biennial] Five-year tourism marketing plan; procedures for submission and evaluation of proposals; measures of effectiveness; report. (a) The office of tourism shall be responsible for developing [a biennial] and annually updating a tourism marketing plan [to be submitted with the executive budget request] for the subsequent five years that includes but is not limited to the following:

- (1) Identification and evaluation of current and future tourism needs for the different regions of the State;
- (2) Goals and objectives in accordance with identified needs;

- (3) Statewide promotional efforts and programs [including those which may exceed the duration of the biennium];
- (4) [~~Target~~] Targeted markets; [and]
- (5) Measures of effectiveness for [its] the office's promotional programs[.]; and
- (6) Coordination of marketing plans of all destination marketing organizations receiving state funding and departmentally initiated marketing plans prior to finalization of the office's marketing plan.

The five-year tourism marketing plan shall be updated and submitted to the legislature not less than twenty days prior to the convening of each regular session.

(b) All marketing programs, including those of destination marketing organizations receiving state funding and state department initiated plans, prior to finalization, shall be transmitted to the office of tourism for coordination with the office's tourism marketing plan, in accordance with subsection (a). The office of tourism shall be responsible for establishing procedures for the selection and evaluation of statewide tourism promotion projects. The procedures shall include submission of proposals to the office prior to disbursement of any tourism promotion funds, and a final report at the completion of the project to be submitted by the funded entity to the office. All statewide tourism promotion contracts, including the Hawaii Visitors Bureau, shall be subject to this subsection.

(c) In accordance with subsection (a), the office shall be responsible for developing measures of effectiveness to assess the overall benefits and effectiveness of the marketing plan and include documentation of the directly attributable benefits of the plan to the following:

- (1) Hawaii's tourism industry;
- (2) Employment in Hawaii;
- (3) State taxes; and
- (4) The State's lesser known and underutilized destinations.

(d) The office shall submit annual reports regarding the status and execution of the marketing plan and the effectiveness of the promotions to the legislature twenty days prior to the convening of the regular session in each year."

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 7, 1994.)