STAND. COM. REP. NO. 1480

Honolulu, Hawaii

APR 03 2007

RE: H.B. No. 575

H.D. 1

S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 575, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EMERGENCIES,"

begs leave to report as follows:

The purpose of this measure is to preserve the economic stability of Hawaii during a crisis that adversely affects tourism.

Specifically, this measure:

- (1) Establishes procedures for the Governor to declare a tourism emergency, followed by a grant of authority to the Board of Directors of the Hawaii Tourism Authority to implement an emergency response to the tourism emergency;
- (2) Requires the Hawaii Tourism Authority to develop and implement measures to respond to a tourism emergency, including the provision of emergency assistance to tourists; and
- (3) Prohibits the implementation of any tourism emergency response measure from adversely affecting organized labor in tourism industries;
- (4) Establishes a tourism emergency trust fund with a fund balance of \$5,000,000, from transient accommodations tax

revenues, to be used exclusively for the development and implementation of tourism emergency response measures.

Your Committee received comments in support of this measure from the Department of Business, Economic Development, and Tourism; the Hawaii Tourism Authority; and the Chamber of Commerce of Hawaii.

Your Committee finds that natural disasters or world events have the potential to threaten Hawaii's tourism industry. These events may have a substantial detrimental economic impact on the overall financial well-being of Hawaii's tourism industry. This would, in turn, have an adverse effect on the State's entire economy. Accordingly, your Committee believes it is critical to have the ability to respond to emergency situations on a timely basis to offset any adverse impact on the tourism industry and Hawaii's economy. Your Committee finds that this measure will provide the means and the flexibility to respond to this type of economic emergency.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity 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. 575, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 575, H.D. 1, S.D. 2.

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

ROSALYN HO BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* HB 575 HDI, SDI	Committee Referral: Date: 3/20/07				
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/	·		
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne		/			
ENGLISH, J. Kalani		1			
FUKUNAGA, Carol		/			
HOOSER, Gary L.		1			
KIM, Donna Mercado		1			
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred		1			
WHALEN, Paul					
		12			,
TOTAL		10	$\mathcal{O}_{\mathcal{O}}$		1
Recommendation:	Adopted	Not Adopted			
Chair's or Designee's Signature:					
Distribution: Original File with Committee		Yellow Pink Clerk's Office Drafting Agency			