HOUSE CONCURRENT RESOLUTION

REQUESTING THE HAWAII TOURISM AUTHORITY TO INCREASE SPENDING ON MARKETING.

1 WHEREAS, the Hawaiian islands, comprised of six very 2 distinct and unique islands, draw visitors from all around the 3 world who are able to find an island and activity that satisfies 4 their personal preference making Hawaii one of the most 5 appealing and diverse vacation spots in the world; and 6

7 WHEREAS, due to our warm, tropical climate Hawaii also has 8 the distinction of being a year-round vacation destination, 9 offering others a warm, summer-like sanctuary during the cold 10 winter season and due to its central location in the middle of 11 the Pacific Ocean Hawaii is also an ideal hub for American 12 military bases or International business meeting grounds.; and 13

14 WHEREAS, as a cultural melting pot, modern Hawaii has a 15 rich and diverse history, blended with the traditions, foods, 16 and love of other immigrant cultures, which has built upon the 17 honored history of the Hawaiian people; and

19 WHEREAS, people flock to the beautiful Hawaiian islands, 20 making tourism Hawaii's top industry generating in 2007 \$12.2 21 billion in visitor spending and accounting for approximately 22.3% or one out of every five jobs in the State; and 23

24 WHEREAS, the State Council on Revenues has projected a 25 decrease in the rate of growth over the next few years, posing a 26 problem to the Legislature of finding ways to stimulate our 27 economy in order to generate more State revenue, to meet the 28 needs of the State; and

30 WHEREAS, the Legislature must make the commitment to ensure
31 that our State's top industry is able to continue to grow
32 through increased marketing efforts; and



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1 WHEREAS, in accordance with §201B-3, Hawaii Revised 2 Statutes (HRS), it is the responsibility of the Hawaii Tourism 3 4 Authority (HTA) to market the Hawaiian islands through marketing and promotion, development-related research, promotion of 5 6 sports-related activities and events; and 7 8 WHEREAS, HTA's operating budget is derived from the Tourism Special Fund, which receives its monies from a portion of the 9 Transient Accommodations Tax (TAT) and legislative 10 11 appropriations; and 12 WHEREAS, only 34.2 percent of the TAT is deposited into the 13 Tourism Special Fund, though nearly all of it is generated by 14 the tourism industry. Of that 34.2 percent, \$1,000,000 goes 15 into the State Parks Special Fund; and 16 17 18 WHEREAS, another 0.5 percent of the TAT that the Tourism 19 Special Fund receives is transferred into a sub-account for 20 Safety and Security; and 21 22 WHEREAS, 44.8 percent of the TAT is distributed among the 23 State's four counties; and 24 WHEREAS, the HTA's operating budget for FY 2007 totaled 25 only \$73,280,000, in comparison to the \$12.2 billion that was 26 brought in by the industry in calendar year 2007; and 27 28 29 WHEREAS, the HTA spent only \$33,186,000 on leisure 30 marketing (45%), \$8,500,000 on business group marketing (12%), and \$7,700,000 on sports events (11%) of its total operating 31 32 budget in FY 2007; and 33 WHEREAS, despite the State's desire to diversify the 34 economy, we must also be realistic and recognize the important 35 role that the tourism industry plays in our State; now, 36 therefore, 37 38 BE IT RESOLVED by the House of Representatives of the 39 Twenty-fourth Legislature of the State of Hawaii, Regular 40 Session of 2008, the Senate concurring, that the percent share 41 42 of the Hawaii Tourism Authority's budget be re-calculated to distribute a larger percentage to marketing efforts, which if 43



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1 successful, will regenerate Hawaii's economy and benefit the State as a whole; and 2 3 BE IT FURTHER RESOLVED that the City and County of 4 Honolulu, County of Hawaii, County of Maui and County of Kauai 5 should budget a portion of their TAT funds for marketing efforts 6 through their respective county visitor bureaus to help 7 rejuvenate Hawaii's visitor industry; and 8 9 10 BE IT FURTHER RESOLVED that a copy of the Hawaii Tourism Authority's Tourism Marketing Plan be submitted to the 11 Legislature no later than thirty days prior to the convening of 12 13 the Regular Session of 2009; and 14 15 BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, the 16 Department of Business, Economic Development, and Tourism, the 17 State Tourism Liaison, the Hawaii Tourism Authority, and the 18 19 Mayors and County Councils of the City and County of Honolulu, 20 County of Kauai, County of Maui and County of Hawaii. 21 22 23

OFFERED BY:

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