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SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AUDIT OF THE HAWAII TOURISM AUTHORITY.

WHEREAS, tourism is the top industry in Hawaii, and in recent years there has been a steady rise of visitors to the State; and

WHEREAS, in 2016 there were approximately 8,900,000 visitors and \$15,600,000,000 in visitor spending in the State of Hawaii; and

WHEREAS, the Hawaii Tourism Authority was established in 1998 by the Legislature, within the Department of Business, Economic Development, and Tourism, to act as the lead state agency for the growing Hawaii tourism industry; and

WHEREAS, among other responsibilities, the Hawaii Tourism Authority is charged with:

- (1) Setting tourism policy and direction from a statewide perspective;
- (2) Developing and implementing the State's tourism marketing plan and efforts;
- (3) Supporting programs and initiatives perpetuating the Hawaiian culture, Hawaii's natural resources, and community festivals and events statewide;
- (4) Managing programs and activities to sustain a healthy tourism industry for the State; and
- (5) Coordinating tourism-related research, planning, and promotional and outreach activities with the public and private sector; and

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WHEREAS, the Hawaii Tourism Authority receives funding through the tourism special fund, which is allocated a set amount each year of transient accommodations tax collections, to market, develop, and support Hawaii's tourism economy; and

WHEREAS, due to the vital importance of the tourism industry in the State and the Hawaii Tourism Authority's access to and expenditure of significant amounts of State funds, it is appropriate and expected that, Hawaii legislators provide oversight of the Hawaii Tourism Authority's spending and activities by requiring timely reports and affirmative responses to information requests regarding the Hawaii Tourism Authority's internal governance practices, budget, and expenditures; and

WHEREAS, the Hawaii Tourism Authority's internal governance practices point to a need for increased transparency in the administration of the public agency; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the House of Representatives concurring, that the Auditor is requested to conduct a management audit of the Hawaii Tourism Authority; and

BE IT FURTHER RESOLVED that the Auditor is requested to submit a report of the Auditor's findings and recommendations, including proposed legislation, if any, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Auditor; Director of Business, Economic Development, and Tourism; and President and Chief Executive Officer of the Hawaii Tourism Authority.

OFFERED BY:

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Breene Hair