
A BILL FOR AN ACT

RELATING TO THE HAWAII TOURISM AUTHORITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 201B-2, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The authority shall be headed by a policy-making
4 board of directors that shall consist of twelve members;
5 provided that:

6 (1) The members shall be appointed by the governor as
7 provided in section 26-34, except as provided by this
8 section;

9 (2) The members shall include at least one representative
10 each from the city and county of Honolulu and the
11 counties of Hawaii, Kauai, and Maui;

12 (3) Three members shall be appointed by the governor from
13 a list of three names submitted for each appointment
14 by the president of the senate, and three members
15 shall be appointed by the governor from a list of
16 three names submitted for each appointment by the



1 speaker of the house of representatives; provided
2 that:

3 (A) The governor shall appoint each member within
4 ninety days of receiving the applicable list of
5 names, except that if fewer than three names are
6 submitted for each appointment, the governor may
7 disregard the list;

8 (B) If a vacancy continues after ninety days, then
9 the Senate President shall appoint a replacement
10 and thereafter such appointments under this
11 paragraph shall alternate beginning with the
12 Speaker of the House of Representatives;

13 (4) At least six members shall have knowledge, experience,
14 and expertise in the area of accommodations,
15 transportation, retail, entertainment, or attractions,
16 and at least one member appointed by the governor
17 shall have knowledge, experience, and expertise in the
18 area of Hawaiian cultural practices; provided that no
19 more than three members shall represent, be employed
20 by, or be under contract to any sector of the industry
21 represented on the board;



1 (5) The governor shall make appointments to ensure the
2 fulfillment of all requirements of paragraphs (2) and
3 (4); provided that upon the occurrence of a vacancy
4 subject to paragraph (3), the governor shall notify
5 the president of the senate and the speaker of the
6 house of representatives of any unfulfilled
7 requirements pursuant to paragraphs (2) and (4), and
8 the president of the senate or the speaker of the
9 house of representatives, as appropriate, shall submit
10 nominees who fulfill those requirements; and

11 (6) No person who has served as a member of the board of
12 directors of the Hawaii Visitors and Convention Bureau
13 shall be eligible to sit as a member of the board of
14 directors of the Hawaii tourism authority until at
15 least two years have expired between the person's
16 termination from service on the Hawaii Visitors and
17 Convention Bureau board and the person's appointment
18 to the authority's board of directors."

19 SECTION 2. Section 201B-4, Hawaii Revised Statutes, is
20 amended to read as follows:



1 "§201B-4 Meetings of the board. (a) The meetings of the
2 board shall be open to the public as provided in section 92-3,
3 except that when it is necessary for the board to receive:

4 (1) Information that is proprietary to a particular
5 enterprise or the disclosure of which might be harmful
6 to the business interests of the enterprise; or

7 (2) Information that is necessary to protect Hawaii's
8 competitive advantage as a visitor destination;

9 ~~[provided that information relating to marketing plans~~
10 ~~and strategies may be disclosed after the execution of~~
11 ~~the marketing plans and strategies,]~~

12 the board may enter into an executive meeting that is closed to
13 the public in accordance with the procedures provided for
14 holding an executive meeting under part I of chapter 92[-];

15 provided that information relating to marketing plans and
16 strategies shall be disclosed after the execution of the
17 marketing plans and strategies; provided further that executive
18 meeting minutes shall be made available upon request to any
19 legislator.

20 (b) The board shall be subject to the procedural
21 requirements of section 92-4, and ~~[this authorization]~~ the



1 exceptions listed in subsection (a) shall be in addition to the
2 exceptions listed in section 92-5, to enable the authority board
3 to respect the proprietary requirements of enterprises with
4 which it has business dealings."

5 SECTION 3. Section 201B-7, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) The authority may enter into contracts and agreements
8 that include the following:

- 9 (1) Tourism promotion, marketing, and development;
- 10 (2) Market development-related research;
- 11 (3) Product development and diversification issues focused
12 on visitors;
- 13 (4) Promotion, development, and coordination of sports-
14 related activities and events;
- 15 (5) Promotion of Hawaii, through a coordinated statewide
16 effort, as a place to do business, including high
17 technology business, and as a business destination;
- 18 (6) Reduction of barriers to travel;
- 19 (7) Marketing, management, use, operation, or maintenance
20 of the convention center facility, including the
21 purchase or sale of goods or services, logo items,



1 concessions, sponsorships, and license agreements, or
2 any use of the convention center facility as a
3 commercial enterprise; provided that effective
4 January 1, 2003, and thereafter, the contract for
5 management of the convention center facility shall
6 include marketing for all uses of the facility;

7 (8) Tourism research and statistics to:

8 (A) Measure and analyze tourism trends;

9 (B) Provide information and research to assist in the
10 development and implementation of state tourism
11 policy; and

12 (C) Provide tourism information on:

13 (i) Visitor arrivals, visitor characteristics,
14 and expenditures;

15 (ii) The number of transient accommodation units
16 available, occupancy rates, and room rates;

17 (iii) Airline-related data including seat capacity
18 and number of flights;

19 (iv) The economic, social, and physical impacts
20 of tourism on the State; and



1 (v) The effects of the marketing programs of the
2 authority on the measures of effectiveness
3 developed pursuant to section 201B-6(b); and
4 (9) Any and all other activities necessary to carry out
5 the intent of this chapter;
6 provided that at least twenty days prior to the convening of
7 each regular session of the legislature, the authority shall
8 ~~[periodically]~~ submit ~~[a]~~ an unredacted report of the summary
9 descriptions and the planned and actual expenditures of
10 contracts and agreements entered into by the authority and a
11 detailed annual budget of the authority's planned and actual
12 expenditures for a two-year period covering the current and
13 immediately preceding fiscal years to the governor, the speaker
14 of the house of representatives, ~~[and]~~ the president of the
15 senate~~[-]~~, and the chairs of the legislative committees with
16 primary jurisdiction over tourism and financial oversight. If
17 the report contains information that may be withheld from public
18 disclosure under section 201B-7(d), the governor and members of
19 the legislature shall not disclose the unredacted report to the
20 public; provided that the authority shall contemporaneously
21 provide an additional report redacting competitively sensitive



1 information, and that redacted report may be disclosed to the
2 public."

3 SECTION 4. Section 201B-11, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§201B-11 Tourism special fund. (a) There is established
6 in the state treasury the tourism special fund, into which shall
7 be deposited:

8 (1) A portion of the revenues from any transient
9 accommodations tax, as provided by section 237D-6.5;
10 and

11 (2) Appropriations by the legislature to the tourism
12 special fund; and

13 (3) Gifts, grants, and other funds accepted by the
14 authority.

15 (b) Moneys in the tourism special fund may be:

16 (1) Placed in interest-bearing accounts; provided that the
17 depository in which the money is deposited furnishes
18 security as provided in section 38-3; or

19 (2) Otherwise invested by the authority until such time as
20 the moneys may be needed; provided that the authority



1 shall limit its investments to those listed in section
2 36-21.

3 All interest accruing from the investment of these moneys shall
4 be credited to the tourism special fund.

5 (c) Moneys in the tourism special fund shall be used by
6 the authority for the purposes of this chapter, provided that:

- 7 (1) Not more than 3.5 per cent of this amount shall be
8 used for administrative expenses, including \$15,000
9 for a protocol fund to be expended at the discretion
10 of the president and chief executive officer; and
11 (2) At least \$1,000,000 shall be made available to support
12 efforts to manage, improve, and protect Hawaii's
13 natural environment and areas frequented by visitors.
14 (d) Authority expenditures of more than \$50,000 shall be
15 approved by the board."

16 SECTION 5. Section 201B-12, Hawaii Revised Statutes, is
17 amended by amending subsection (b) to read as follows:

18 "(b) The authority shall ~~[not]~~ be subject to chapter 103D
19 and any ~~[and all other requirements of law for]~~ rules
20 established pursuant to chapter 103D; provided that the
21 authority may adopt its own rules pursuant to chapter 91 that



1 would supersede rules established pursuant to chapter 103D for
2 all of the authority's competitive bidding for project
3 agreements, construction contracts, lease and sublease
4 agreements, or other contracts [~~unless a project agreement with~~
5 ~~respect to a project otherwise shall require~~]."

6 SECTION 6. Section 201B-13, Hawaii Revised Statutes, is
7 amended by amending subsection (b) to read as follows:

8 "(b) The authority [~~may~~] shall establish an advisory group
9 that [~~may meet~~] meets monthly [~~or as the authority deems~~
10 ~~necessary~~], which may include the director of business, economic
11 development, and tourism, director of transportation,
12 chairperson of the board of land and natural resources, and
13 executive director of the state foundation on culture and the
14 arts to advise the authority on matters relating to their
15 respective departments or agency in the preparation and
16 execution of suggested:

17 (1) Measures to respond to tourism emergencies pursuant to
18 section 201B-9;

19 (2) Programs for the management, improvement, and
20 protection of Hawaii's natural environment and other
21 areas frequented by visitors;



1 (3) Measures to address issues affecting airlines, air
2 routes, and barriers to travel to Hawaii; and

3 (4) Programs to perpetuate the cultures of Hawaii and
4 engage local communities to sustain and preserve the
5 native Hawaiian culture."

6 SECTION 7. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

Hawaii Tourism Authority; Budget; Expenditures; Reporting Requirement; Sunshine Law; Board Meetings; Board of Directors Appointments

Description:

Requires the governor to appoint six Hawaii tourism authority board of directors' members within ninety days of receiving lists of nominees from the president of the senate and from the speaker of the house of representatives. Requires the president of the senate and speaker of the house of representatives to appoint those members if the vacancy continues after ninety days. Requires that executive meeting minutes be available to any legislator upon request. Requires that information relating to market plans and strategies discussed at executive session be disclosed after the execution of the market plans and strategies. Requires the Hawaii tourism authority to report, at least twenty days prior to the convening of each regular session of the legislature, summary descriptions and planned and actual expenditures of contracts and agreements entered into by the authority and a detailed annual budget for the authority for a two-year period covering the current and immediately preceding fiscal years to the governor, speaker of the house of representatives, president of the senate, and chairs of legislative committees with primary jurisdiction over tourism or financial oversight. Requires that authority expenditures of more than \$50,000 be approved by the board of directors. Repeals the authority's exemption from chapter 103D. Requires the authority to apply rules established pursuant to chapter 103D or create their own rules pursuant to chapter 91 that would supersede the rules of chapter 103D for competitive bidding for certain contracts. Requires that the authority establish an advisory group that meets monthly. Effective 7/1/2050. (SD2)

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