STAND. COM. REP. NO. 2420

Honolulu, Hawaii

FEB 1 6 2018

RE: S.B. No. 2504 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Economic Development, Tourism, and Technology, to which was referred S.B. No. 2504 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," begs leave to report as follows:

The purpose and intent of this measure is to prohibit the Hawaii Tourism Authority from using monies in the tourism special fund dedicated for administrative expenses to market Hawaii as a tourism destination.

Your Committee received comments on this measure from the Hawaii Tourism Authority.

Your Committee finds that the law establishing allowable uses of the tourism special fund for administrative expenses needs to more clearly define what constitutes administrative expenses. Your Committee believes that marketing Hawaii as a tourist destination is what the Hawaii Tourism Authority is required to do in order to maintain the brand of Hawaii and to flourish the State's economy but that this function falls outside of the scope of customary administrative functions. This measure explicitly states that marketing Hawaii as a tourist destination does not constitute an administrative expense, thereby clarifying allowable uses of the tourism special fund.

Your Committee has amended this measure by:

2018-1424 SSCR SMA.doc

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion;
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2504, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2504, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Economic Development, Tourism, and Technology,

GLENN WAKAI, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Economic Development, Tourism, and Technology ETT

Bill / Resolution No.:* Comm	Committee Referral:			te:	1 0
JB 2504 E	T_{i}	WAM		2/17	118
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
WAKAI, Glenn (C)		V			
TANIGUCHI, Brian T. (VC)		V			
BAKER, Rosalyn H.					V
GALUTERIA, Brickwood			V		a de la companya del companya de la companya del companya de la co
THIELEN, Laura H.					
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TOTAL		2	\	O	2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes