#### A BILL FOR AN ACT

RELATING TO TOURISM MANAGEMENT.

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

- 1 SECTION 1. The legislature finds that prior to the
- 2 coronavirus pandemic, the effects of tourism on Hawaii's
- 3 economy, environment, and way of life for residents was
- 4 undergoing reflection and change. However, the impact of the
- 5 pandemic on the State and residents provided a greater
- 6 opportunity to rethink and transform Hawaii's tourism industry
- 7 for a post-pandemic world, in a manner beneficial for Hawaii and
- 8 its future.
- 9 In July 2021, the Hawaii tourism authority announced its
- 10 intent to become a more effective destination management
- 11 organization. The legislature notes that destination management
- 12 has become a major focus of the Hawaii tourism authority and is
- 13 at the heart of its 2020-2025 Strategic Plan Update. The
- 14 legislature also notes that the Hawaii tourism authority
- 15 reorganized its structure and operations to support the goal of
- 16 Mālama Ku'u Home (caring for my beloved home) through the
- 17 principles of regenerative tourism. Tourism marketing and



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- 1 tourism management are fundamental responsibilities of the
- 2 Hawaii tourism authority and are critical to sustainable
- 3 tourism.
- 4 The legislature further finds that according to the Hawaii
- 5 state planning act, planning for the State's economy with regard
- 6 to the visitor industry shall be directed toward achievement of
- 7 a visitor industry that constitutes a major component of steady
- 8 growth for Hawaii's economy. To achieve the visitor industry
- 9 objective, State policy specifies, among other areas, ensuring
- 10 that visitor industry activities are in keeping with the social,
- 11 economic, and physical needs and aspirations of Hawaii's people;
- 12 and encouraging cooperation and coordination between the
- 13 government and private sectors in developing and maintaining
- 14 well-designed, adequately serviced visitor industry and related
- 15 developments, which are sensitive to neighboring communities and
- 16 activities. Tourism growth, development, and management in the
- 17 State must be in alignment with the objectives and policies of
- 18 the Hawaii State Planning Act.
- 19 Accordingly, the purpose of this Act is to:

1	(1)	Ensure that the scope and responsibilities of the
2		Hawaii tourism authority encompass best practice
3		destination management and regenerative tourism; and
4	(2)	Require the Hawaii tourism authority to develop a
5		tourism management plan that includes tourism
6		marketing, best practice destination management, and
7		regenerative tourism.
8	SECT	ION 2. Section 201B-1, Hawaii Revised Statutes, is
9	amended b	y adding two new definitions to be appropriately
10	inserted	and to read as follows:
11	" <u>"</u> Be	st practice destination management" means a holistic
12	process t	hat ensures that tourism adds value to the economy,
13	social fa	bric, and ecology of communities.
14	<u>"Reg</u>	enerative tourism" means tourism that focuses on
15	reducing	harm associated with tourism and restoring the harm
16	that tour	ism has already done to the natural environment,
17	through c	collective holistic efforts to make net positive
18	contribut	ions, create conditions that allow life to flourish,
19	and impro	ve destinations for current and future generations for
20	the well-	being of the environment, residents, host communities,
21	and visit	ors."



1	SECT	ION 3. Section 201B-3, Hawaii Revised Statutes, is
2	amended by	y amending subsection (a) to read as follows:
3	"(a)	Except as otherwise limited by this chapter, the
4	authority	may:
5	(1)	Sue and be sued;
6	(2)	Have a seal and alter the same at its pleasure;
7	(3)	Through its president and chief executive officer,
8		make and execute contracts and all other instruments
9		necessary or convenient for the exercise of its powers
10		and functions under this chapter; provided that the
11		authority may enter into contracts and agreements for
12		a period of up to five years, subject to the
13		availability of funds; and provided further that the
14		authority may enter into agreements for the use of the
15		convention center facility for a period of up to ten
16		years;
17	(4)	Make and alter bylaws for its organization and
18		internal management;
19	(5)	Unless otherwise provided in this chapter, adopt rules
20		in accordance with chapter 91 with respect to its

projects, operations, properties, and facilities;

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1	(6)	Through its president and chief executive officer,
2		represent the authority in communications with the
3		governor and the legislature;
4	(7)	Through its president and chief executive officer,
5		provide for the appointment of officers, agents, a
6		sports coordinator, and employees, subject to the
7		approval of the board, prescribing their duties and
8		qualifications, and fixing their salaries, without
9		regard to chapters 76 and 78, if funds have been
10		appropriated by the legislature and allotted as
11		provided by law;
12	(8)	Through its president and chief executive officer,
13		purchase supplies, equipment, or furniture;
14	(9)	Through its president and chief executive officer,
15		allocate the space or spaces that are to be occupied
16		by the authority and appropriate staff;
17	(10)	Through its president and chief executive officer,
18		engage the services of qualified persons to implement
19		the State's tourism [marketing] management plan or
20		portions thereof as determined by the authority;

1	(11)	Through its president and chief executive officer,
2		engage the services of consultants on a contractual
3		basis for rendering professional and technical
4		assistance and advice;
5	(12)	Procure insurance against any loss in connection with
6		its property and other assets and operations in
7		amounts and from insurers as it deems desirable;
8	(13)	Contract for or accept revenues, compensation,
9		proceeds, and gifts or grants in any form from any
10		public agency or any other source;
11	(14)	Develop, coordinate, and implement state policies and
12		directions for tourism and related activities taking
13		into account the economic, social, and physical
14		impacts of tourism on the $State[_{ au}]$ ; Hawaii's natural
15		environment[, and]; areas frequented by visitors; best
16		practice destination management; and regenerative
17		tourism;
18	(15)	Have a permanent, strong focus on Hawaii brand
19		management;

1	(16)	Coordinate all agencies and advise the private sector
2		in the development of tourism-related activities and
3		resources;
4	(17)	Work to eliminate or reduce barriers to travel to
5		provide a positive and competitive business
6		environment, including coordinating with the
7		department of transportation on issues affecting
8		airlines and air route development;
9	(18)	Market and promote sports-related activities and
10		events;
11	(19)	Coordinate the development of new products with the
12		counties and other persons in the public sector and
13		private sector, including the development of sports,
14		culture, health and wellness, education, technology,
15		agriculture, and nature tourism;
16	(20)	Establish a public information and educational program
17		to inform the public of tourism and tourism-related
18		problems;
19	(21)	Encourage the development of tourism educational,
20		training, and career counseling programs:

1	(22)	Establish a program to monitor, investigate, and
2		respond to complaints about problems resulting
3		directly or indirectly from the tourism industry and
4		taking appropriate action as necessary;
5	(23)	Develop and implement emergency measures to respond to
6		any adverse effects on the tourism industry, pursuant
7		to section 201B-9;
8	(24)	Set and collect rents, fees, charges, or other
9		payments for the lease, use, occupancy, or disposition
10		of the convention center facility without regard to
11		chapter 91;
12	(25)	Notwithstanding chapter 171, acquire, lease as lessee
13		or lessor, own, rent, hold, and dispose of the
14		convention center facility in the exercise of its
15		powers and the performance of its duties under this
16		chapter; and
17	(26)	Acquire by purchase, lease, or otherwise, and develop,
18		construct, operate, own, manage, repair, reconstruct,
19		enlarge, or otherwise effectuate, either directly or
20		through developers, a convention center facility."



1	SECT	ION 4. Section 201B-6, Hawaii Revised Statutes, is
2	amended t	o read as follows:
3	"§20	1B-6 Tourism [marketing] management plan; measures of
4	effective	ness. (a) The authority shall be responsible for
5	developin	g a tourism [marketing] management plan[-] that
6	includes	tourism marketing, best practice destination
7	managemen	t, and regenerative tourism. The plan shall be a
8	single, c	omprehensive document that shall be updated every year
9	and inclu	de the following:
10	(1)	Statewide Hawaii brand management efforts and
11		programs;
12	(2)	Targeted markets;
13	(3)	Efforts to enter into Hawaii brand management projects
14		that make effective use of cooperative programs;
15	(4)	Program performance goals and targets that can be
16		monitored as market gauges and used as attributes to
17		evaluate the authority's programs; and
18	(5)	The authority's guidance and direction for the
19		development and coordination of promotional and
20		marketing programs that build and promote the Hawaii
21		brand, which are implemented through contracts and

1	agreements with destination marketing organizations or
2	other qualified organizations, including:
3	(A) Target markets and the results being sought;
4	(B) Key performance indicators; and
5	(C) Private sector collaborative or cooperative
6	efforts that may be required.
7	As used in this [section, subsection, "Hawaii brand" means
8	the programs that collectively differentiate the Hawaii
9	experience from other destinations.
10	(b) In accordance with subsection (a), the authority shall
11	develop measures of effectiveness to assess the overall benefits
12	and effectiveness of the [marketing] tourism management plan and
13	include documentation of the progress of the [marketing] tourism
14	management plan [towards] toward achieving the authority's
15	strategic plan goals."
16	SECTION 5. Section 201B-7, Hawaii Revised Statutes, is
17	amended by amending subsections (a) and (b) to read as follows:
18	"(a) The authority may enter into contracts and agreements
19	that include the following:
20	(1) Tourism promotion, marketing, $[and]$ development $[\div]_{\underline{\prime}}$
21	and management;



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1	(2)	Market	development-related	d research:
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- 2 (3) Product development and diversification issues focused
  3 on visitors;
- 4 (4) Promotion, development, and coordination of sports-5 related activities and events;
  - (5) Promotion of Hawaii, through a coordinated statewide effort, as a place to do business, including high technology business, and as a business destination;
  - (6) Reduction of barriers to travel;
- 10 (7) Marketing, management, use, operation, or maintenance 11 of the convention center facility, including the 12 purchase or sale of goods or services, logo items, 13 concessions, sponsorships, and license agreements, or 14 any use of the convention center facility as a 15 commercial enterprise; provided that effective 16 January 1, 2020, and thereafter, contracts issued 17 pursuant to this paragraph for the marketing of all 18 uses of the convention center facility may be issued 19 separately from the management, use, operation, or 20 maintenance of the facility;
- 21 (8) Tourism research and statistics to:

1	(A) Mea	sure and analyze tourism trends;
2	(B) Pro	vide information and research to assist in the
3	dev	elopment and implementation of state tourism
4	pol	icy; and
5	(C) Pro	vide tourism information on:
6	(i)	Visitor arrivals, visitor characteristics,
7		and expenditures;
8	(ii)	The number of transient accommodation units
9		available, occupancy rates, and room rates;
10	(iii)	Airline-related data including seat capacity
11		and number of flights;
12	(iv)	The economic, social, and physical impacts
13		of tourism on the State; and
14	(v)	The effects of the marketing programs of the
15		authority on the measures of effectiveness
16		developed pursuant to section 201B-6(b); and
17	(9) Any and	all other activities necessary to carry out
18	the inte	nt of this chapter;
19	provided that the	authority shall periodically submit a report
20	of the contracts a	nd agreements entered into by the authority to



1	the govern	nor, the speaker of the house of representatives, and
2	the presid	dent of the senate.
3	(b)	The authority shall be responsible for:
4	(1)	Creating a vision and developing a long-range
5		strategic plan for tourism in Hawaii;
6	(2)	Promoting, marketing, and developing the tourism
7		industry in the State[+] that includes best practice
8		destination management and regenerative tourism;
9	(3)	Arranging for the conduct of research through
10		contractual services with the University of Hawaii or
11		any agency or other qualified persons concerning
12		social, economic, and environmental aspects of tourism
13		development in the State;
14	(4)	Providing technical or other assistance to agencies
15		and private industry upon request;
16	(5)	Perpetuating the uniqueness of the native Hawaiian
17		culture and community, and their importance to the
18		quality of the visitor experience, by ensuring that:
19		(A) The Hawaiian culture is accurately portrayed by
20		Hawaii's visitor industry;

1		(B)	Hawaiian language is supported and normalized as
2			both an official language of the State as well as
3			the foundation of the host culture that draws
4			visitors to Hawaii;
5		(C)	Hawaiian cultural practitioners and cultural
6			sites that give value to Hawaii's heritage are
7			supported, nurtured, and engaged in sustaining
8			the visitor industry; and
9		(D)	A native Hawaiian cultural education and training
10			program is provided for the visitor industry
11			workforce having direct contact with visitors;
12			and
13	(6)	Revi	ewing annually the expenditure of public funds by
14		any	visitor industry organization that contracts with
15		the	authority to perform tourism promotion, marketing,
16		and	development and making recommendations necessary
17		to e	ensure the effective use of the funds for the
18		mana	gement and development of tourism."
19	SECT	ION 6	Section 201B-13, Hawaii Revised Statutes, is
20	amended b	y ame	ending subsection (b) to read as follows:

1	"(b)	The authority may establish an advisory group that
2	may meet i	monthly or as the authority deems necessary, which may
3	include t	he director of business, economic development, and
4	tourism,	director of transportation, chairperson of the board of
5	land and	natural resources, and executive director of the state
6	foundation	n on culture and the arts to advise the authority on
7	matters r	elating to their respective departments or agency in
8	the prepa	ration and execution of suggested:
9	(1)	Measures to respond to tourism emergencies pursuant to
10		section 201B-9;
11	(2)	Programs for the management, improvement, and
12		protection of Hawaii's natural environment and other
13		areas frequented by visitors;
14	(3)	Measures to address issues affecting airlines, air
15		routes, and barriers to travel to Hawaii; [and]
16	(4)	Programs to perpetuate the cultures of Hawaii and
17		engage local communities to sustain and preserve the
18		native Hawaiian culture[-]; and
19	(5)	Programs that include tourism marketing, best practice
20		destination management, and regenerative tourism as
21		part of an overall tourism management plan."



1	SECTION 7. Section 2018-16, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"\$201B-16 Annual report. The authority shall submit a
4	complete and detailed report of its activities, expenditures,
5	and results, including the progress of the tourism [marketing]
6	management plan developed pursuant to section CC1B-6, toward
7	achieving the authority's strategic plan goals, to the governor
8	and the legislature at least twenty days prior to the convening
9	of each regular session of the legislature. The annual report
10	shall include the descriptions and evaluations of programs
11	funded, together with any recommendations the authority may
12	make."
13	SECTION 8. Statutory material to be repealed is bracketed
14	and stricken. New statutory material and underscored.
15	SECTION 9. This Act shall take effect upon its approval.

ENTRODUCED BY:

JAN 2 1 2022

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#### Report Title:

Hawaii Tourism Authority; Tourism Management Plan; Best Practice Destination Management; Regenerative Tourism

#### Description:

Includes best practice destination management and regenerative tourism under the scope and responsibilities of the Hawaii tourism authority. Requires the Hawaii tourism authority to develop a tourism management plan that includes tourism marketing, best practice destination management, and regenerative tourism.

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