HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII H.R. NO. 18

## HOUSE RESOLUTION

URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ESTABLISH A PROGRAM TO PROVIDE GRANTS FOR HOTEL EMPLOYEES, OR ENTITIES ENTIRELY OWNED BY HOTEL EMPLOYEES, TO PURCHASE HOTELS AND CONVERT THEM INTO EMPLOYEE-OWNED COOPERATIVES.

1 WHEREAS, according to the University of Hawaii, the 2 accommodation and food services sector of the State's economy employed 113,417 people in 2020; and 3 4 5 WHEREAS, throughout the State, many hotels are privately owned by multinational corporations having directors, 6 executives, and shareholders that are not residents of the 7 8 State; and 9 WHEREAS, hotels are bought and sold on the open market 10 regularly; and 11 12 WHEREAS, numerous industries throughout the United States 13 14 operate successfully as cooperatives; and 15 WHEREAS, there are numerous examples of successful 16 employee-owned hotels throughout the world, including The Priory 17 Hotel in Scotland, the hotels of Quaintance-Weaver Restaurants 18 and Hotels in North Carolina, and the hotels of TPI Hospitality 19 20 in Minnesota; and 21 22 WHEREAS, developing a process for employees of a bankrupt hotel to purchase and operate that hotel as a cooperative 23 24 business could prevent increased unemployment in the State; and 25 WHEREAS, accordingly, it is appropriate for the State to 26 27 provide grants to match funds for hotel employees to buy hotels and establish employee-owned hotel cooperatives; now, therefore, 28 29 30 BE IT RESOLVED by the House of Representatives of the Thirty-second Legislature of the State of Hawaii, Regular 31 Session of 2023, that the Department of Business, Economic 32 Development, and Tourism is urged to establish a program to 33 HR LRB 23-1396.docx

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provide grants for hotel employees, or entities entirely owned 1 by hotel employees, to purchase hotels and convert them into 2 employee-owned hotel cooperatives; and 3 4 BE IT FURTHER RESOLVED that the Department of Business, 5 Economic Development, and Tourism is requested to require 6 employees and entities to provide matching funds on a 7 dollar-for-dollar basis to qualify for grants under the program; 8 9 and 10 BE IT FURTHER RESOLVED that a certified copy of this 11 12 Resolution be transmitted to the Director of Business, Economic Development, and Tourism. 13 14 15 16 OFFERED BY: Jog Ganh

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