# A BILL FOR AN ACT

RELATING TO TOURISM.

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

SECTION 1. The legislature finds that the Hawaii tourism
 authority has failed to effectively execute its duties to manage
 the tourism marketing plan for the State.

In 2021, the legislature repealed the Hawaii tourism
authority's exemption from the Hawaii public procurement code
through Act 1, Special Session Laws of Hawaii 2021. As a
result, all procurements by the Hawaii tourism authority must
comply with the Hawaii public procurement code.

9 Due to mismanagement by the Hawaii tourism authority, the 10 award of a \$34,000,000 contract for the marketing of Hawaii as a 11 tourism destination to the United States major market area has 12 been in a state of uncertainty since 2021. This situation has 13 been widely publicized and has demonstrated the Hawaii tourism 14 authority's noncompliance with the Hawaii public procurement 15 code.

16 The legislature finds that it is necessary and appropriate
17 to dissolve the Hawaii tourism authority.

HB1375 SD2 LRB 23-2085.docx 

1	Ассо	rdingly, the purpose of this Act is to:
2	(1)	Establish an office of tourism and destination
3		management that will be governed by a nine-member
4		board of directors consisting of:
5		(A) A member from the county of Hawaii;
6		(B) A member from the county of Maui;
7		(C) A member from the county of Kauai;
8		(D) A member from the city and county of Honolulu;
9		(E) A member from the hospitality industry;
10		(F) A member from the airline industry;
11		(G) A member from the retail industry; and
12		(H) A member with a background in Hawaiian culture;
13		and
14		(I) A member with a background in agriculture;
15	(2)	Transfer the functions, duties, appropriations, and
16		positions of the Hawaii tourism authority to the
17		office of tourism and destination management;
18	(3)	Require the office of tourism and destination
19		management to implement certain county destination
20		management action plans;
21	(4)	Dissolve the Hawaii tourism authority;

HB1375 SD2 LRB 23-2085.docx





1	(5)	Appropriate funds for the office of tourism and
2		destination management; and
-	(6)	Appropriates funds for plans, design, construction,
3	(6)	Appropriates funds for plans, design, construction,
4		and equipment for repairs and improvements of the
5		convention center rooftop terrace deck.
6	SECT	ION 2. Chapter 201, Hawaii Revised Statutes, is
7	amended b	y adding a new part to be appropriately designated and
8	to read a	s follows:
9	"PAR	. OFFICE OF TOURISM AND DESTINATION MANAGEMENT
10	§201	-A Definitions. As used in this part:
		-
11		ncy" means any agency, department, authority, board,
11 12	"Age	ncy" means any agency, department, authority, board, n, the university of Hawaii, or any other unit of the
	"Age commissio	
12	"Age commissio State or	n, the university of Hawaii, or any other unit of the
12 13	"Age commissio State or "Bes	n, the university of Hawaii, or any other unit of the its political subdivisions.
12 13 14	"Age commissio State or "Bes process t	n, the university of Hawaii, or any other unit of the its political subdivisions. t practice destination management" means a holistic
12 13 14 15	"Age commissio State or "Bes process t social fa	n, the university of Hawaii, or any other unit of the its political subdivisions. t practice destination management" means a holistic hat ensures that tourism adds value to the economy,
12 13 14 15 16	"Age commissio State or "Bes process t social fa "Con	n, the university of Hawaii, or any other unit of the its political subdivisions. t practice destination management" means a holistic hat ensures that tourism adds value to the economy, bric, and ecology of communities.
12 13 14 15 16 17	"Age commissio State or "Bes process t social fa "Con the Hawai	n, the university of Hawaii, or any other unit of the its political subdivisions. t practice destination management" means a holistic hat ensures that tourism adds value to the economy, bric, and ecology of communities. vention center facility" or "convention center" means

# HB1375 SD2 LRB 23-2085.docx



1	"Hawaii brand" means the programs that collectively
2	differentiate the Hawaii experience from other destinations.
3	"Office" means the office of tourism and destination
4	management established under section 201-B.
5	"Regenerative tourism" means a Hawaiian cultural heritage
6	business model that is community-based with cultural development
7	strategies and implements an innovative economic development
8	plan to link consumers and a Hawaiian sense of place through
9	holistic efforts to:
10	(1) Make net positive contributions;
11	(2) Create conditions that allow communities to flourish;
12	and
13	(3) Improve destinations for current and future
14	generations for the well-being of the environment,
15	residents, indigenous communities, and visitors.
16	9201-B Office of tourism and destination management;
17	establishment; responsibilities. (a) There is established
18	within the department of business, economic development, and
19	tourism for administrative purposes the office of tourism and
20	destination management to:

HB1375 SD2 LRB 23-2085.docx

Page 5



1	(1)	Create, design, and implement a long-range strategic
2		plan for tourism in Hawaii;
3	(2)	Grow and enhance the tourism industry in the State;
4		provided that the office's initiatives shall follow
5		best practice destination management practices and
6		integrate regenerative tourism;
7	(3)	Conduct strategic research through contractual
8		services with the University of Hawaii or any
9		qualified agency or persons that target social,
10		economic, cultural, and environmental aspects of
11		tourism development in the State;
12	(4)	Provide technical or other assistance to agencies and
13		private industry upon request;
14	(5)	Focus on perpetuating the uniqueness of the Native
15		Hawaiian culture and community, and their significance
16		to the quality of the visitor experience, by ensuring
17		that:
18		(A) The Hawaiian culture is accurately portrayed by
19		Hawaii's visitor industry;
20		(B) Hawaiian language is supported and normalized as
21		an official language of the State as well as the

HB1375 SD2 LRB 23-2085.docx

1		foundation of the host culture that attracts
2		visitors to Hawaii;
3		(C) Hawaiian cultural practitioners and cultural
4		sites that give value to Hawaii's heritage are
5		supported, nurtured, and engaged in sustaining
6		the visitor industry; and
7		(D) A Native Hawaiian cultural education and training
8		program is provided for the members of the
9		visitor industry workforce who have direct
10		contact with visitors; and
11	(6)	Review annually the expenditure of public funds by any
12		visitor industry organization that contracts with the
13		office to implement tourism promotion, development,
14		and management and make recommendations necessary to
15		ensure the effective use of the funds for the
16		development and management of tourism.
17	(b)	There is established within the office of tourism and
18	destinati	on management:
19	(1)	A tourism and marketing branch that shall implement
20		integrated marketing efforts that positively portray
21		Hawaii with a focus on its people and culture;

HB1375 SD2 LRB 23-2085.docx

Page 7



1	(2)	A convention center branch to manage the convention
2		center and administer the convention center enterprise
3		special fund; and
4	(3)	A destination management branch that shall develop and
5		implement a plan that is inclusive of all islands and
6		promotes a dignified and healthy relationship with the
7		State's natural resources and Hawaiian culture.
8	(c)	The office shall be headed by a board of directors
9	that shal	l consist of nine members as follows:
10	(1)	Five members to be appointed by the governor as
11		provided in section 26-34; provided that:
12		(A) One member shall represent the hospitality
13		industry;
14		(B) One member shall represent the airline industry;
15		(C) One member shall represent the retail industry;
16		(D) One member shall have a background in Hawaiian
17		culture; and
18		(E) One member shall have a background in
19		agriculture;
20	(2)	Two members to be appointed by the senate president;
21		provided that:

HB1375 SD2 LRB 23-2085.docx

1	(A) One member shall reside in the county of Maui;
2	and
3	(B) One member shall reside in county of Kauai; and
4	(3) Two members to be appointed by the speaker of the
5	house of representatives; provided that:
6	(A) One member shall reside in the county of Hawaii;
7	and
8	(B) One member shall reside in city and county of
9	Honolulu.
10	The board of directors shall elect a chairperson from among its
11	members. The members shall serve without compensation, but
12	shall be reimbursed for expenses, including traveling expenses,
13	necessary for the performance of their duties.
14	(d) There shall be an executive director of tourism and
15	destination management who shall have the same rights and
16	benefits of other public employees, including membership in
17	public employee health and pension benefits plans under chapters
18	87A and 88, and shall:
19	(1) Be appointed and may be removed by the board of
20	directors;
21	(2) Report to the board of directors;



Page 9



1	(3)	Have knowledge, experience, and expertise in the areas
2		of accommodations, transportation, retail,
3		entertainment, Hawaiian culture, and agricultural
4		lands;
5	(4)	Be responsible for the day-to-day operations of the
6		office; and
7	(5)	Not be subject to chapter 76.
8	§201-	-C Powers and functions, generally. (a) Except as
9	otherwise	limited by this part, the office may:
10	(1)	Sue and be sued;
11	(2)	Make and alter bylaws for its organization and
12		internal management;
13	(3)	Procure insurance against any loss in connection with
14		its property and other assets and operations in
15		amounts and from insurers as it deems desirable;
16	(4)	Contract for or accept revenues, compensation,
17		proceeds, and gifts or grants in any form from any
18		public agency or any other source;
19	(5)	Design, coordinate, and implement state policies and
20		directions for tourism and related activities taking
21		into account the economic, social, cultural, and



Page 10

1		physical impacts of tourism on the State, Hawaii's
2		natural environment, areas frequented by visitors,
3		best practice destination management, and regenerative
4		tourism;
5	(6)	Have a permanent and strong focus on Hawaii brand
6		management;
7	(7)	Coordinate all agencies and engage the private sector
8		in the development of tourism-related activities and
9		resources;
10	(8)	Work to eliminate or reduce barriers to travel by
11		providing a positive and competitive business
12		environment, including coordination with the
13		department of transportation on issues affecting
14		airlines and air route development;
15	(9)	Market and promote sports-related and
16		entertainment-related activities and events;
17	(10)	Coordinate the development of new products with the
18		counties and other persons in the public sector and
19		private sector, including the development of sports,
20		culture, health and wellness, education, technology,
21		agriculture, and environmental tourism;

HB1375 SD2 LRB 23-2085.docx



1	(11)	Establish:
2		(A) A public information and educational program to
3		inform the public of tourism and tourism-related
4		problems; and
5		(B) A program to monitor, investigate, and respond to
6		complaints about problems resulting directly or
7		indirectly from the tourism industry and take
8		appropriate action as necessary;
9	(12)	Encourage and engage in the development of tourism
10		education, training, and career counseling programs;
11	(13)	Develop and implement emergency measures to respond to
12		any adverse effects on the tourism industry, pursuant
13		to section 201-I;
14	(14)	Set and collect rents, fees, charges, or other
15		payments for the lease, use, occupancy, or disposition
16		of the convention center facility without regard to
17		chapter 91;
18	(15)	Notwithstanding chapter 171, acquire, lease as lessee
19		or lessor, own, rent, hold, and dispose of the
20		convention center facility in the exercise of its

HB1375 SD2 LRB 23-2085.docx

1 powers and the performance of its duties under this 2 part; Acquire by purchase, lease, or otherwise, and develop, 3 (16) 4 construct, operate, own, manage, repair, reconstruct, enlarge, or otherwise effectuate, either directly or 5 6 through developers, a convention center facility; and 7 Adopt rules in accordance with chapter 91 with respect (17)8 to its projects, operations, properties, and 9 facilities. 10 Except as otherwise limited by this part, the office, (b) through the executive director may: 11 12 (1)Make and execute contracts and all other instruments 13 necessary or convenient for the exercise of its powers and functions under this part; provided that the 14 office may enter into contracts and agreements for a 15 16 period of up to five years, subject to the availability of funds; provided further that the 17 office may enter into agreements for the use of the 18 convention center facility for a period of up to ten 19 20 years;

HB1375 SD2 LRB 23-2085.docx

1		(2)	Represent the office in communications with the
2			governor and the legislature;
3		(3)	Provide for the appointment of officers, agents, a
4			sports coordinator, and employees, prescribing their
5			duties and qualifications, and fixing their salaries,
6			without regard to chapters 76 and 78, if funds have
7			been appropriated by the legislature and allotted as
8			provided by law;
9		(4)	Purchase supplies, equipment, and furniture;
10		(5)	Allocate the space or spaces that are to be occupied
11			by the office and appropriate staff;
12		(6)	Engage the services of qualified persons to implement
13			the State's strategic tourism management plan or
14			portions thereof as determined by the office; and
15		(7)	Engage the services of consultants on a contractual
16			basis for rendering professional and technical
17			assistance and advice.
18		(c)	The office may enter into contracts and agreements
19	that	incl	ude the following:
20		(1)	Tourism promotion, development, and management;

HB1375 SD2 LRB 23-2085.docx

Page 14

## H.B. NO. <sup>1375</sup> H.D. 3 S.D. 2

1	(2)	Product development and diversification issues focused
2		on visitors;
3	(3)	Promotion, development, and coordination of
4		sports-related and entertainment-related activities
5		and events;
6	(4)	Promotion of Hawaii, through a coordinated statewide
7		effort, as a place to do business, including high
8		technology business, and as a business destination;
9	(5)	Reduction of barriers to travel;
10	(6)	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 contracts issued
16		pursuant to this paragraph for the marketing of all
17		uses of the convention center facility may be issued
18		separately from the management, use, operation, or
19		maintenance of the facility;
20	(7)	Tourism research, market development-related research,
21		and statistics to:

HB1375 SD2 LRB 23-2085.docx

Page 15



1		(A) Meast	ure and analyze tourism trends;
2		(B) Prov	ide information and research to assist in the
3		deve	lopment and implementation of state tourism
4		poli	cy; and
5		(C) Prov	ide 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
11			capacity 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 office's strategic
15			tourism management plan on the measures of
16			effectiveness developed pursuant to section
17			201-D; and
18	(8)	Any and a	ll other activities necessary to carry out
19		the inten	t of this part.
20	(d)	The offic	e may delegate to staff the responsibility
21	for solic	iting, awa	rding, and executing contracts and for

HB1375 SD2 LRB 23-2085.docx



monitoring and facilitating any and all contracts and agreements
 developed in accordance with subsection (c).

(e) Where public disclosure of information gathered or
developed by the office may place a business at a competitive
disadvantage or may impair or frustrate the office's ability to
either compete as a visitor destination or obtain or utilize
information for a legitimate government function, the office may
withhold from public disclosure competitively sensitive
information, including:

10 (1) Completed survey forms and questionnaire forms;

11 (2) Coding sheets; and

12 (3) Database records of the information.

(f) The office shall do any and all things necessary to
carry out its purposes, to exercise the powers and
responsibilities given in this part, and to perform other
functions required or authorized by law.

17 (g) The powers and functions granted to and exercised by
18 the office under this part are declared to be public and
19 governmental functions, exercised for a public purpose, and
20 matters of public necessity.

# HB1375 SD2 LRB 23-2085.docx



1	§201	-D Strategic tourism management plan; measures of
2	effective	ness. (a) The office shall develop a strategic
3	tourism m	anagement plan that promotes tourism marketing,
4	complies	with best practice destination management, and promotes
5	regenerat	ive tourism. The plan shall be a single, comprehensive
6	document	that shall be updated annually and include the
7	following	•
8	(1)	Statewide Hawaii brand management efforts and
9		programs;
10	(2)	Targeted markets;
11	(3)	Efforts to enter into Hawaii brand management projects
12		that make effective use of cooperative programs;
13	(4)	Program performance goals and targets that can be
14		monitored as market gauges and used as attributes to
15		evaluate the office's programs; and
16	(5)	The office's guidance and direction for the
17		development and coordination of promotional and
18		marketing programs that build and promote the Hawaii
19		brand, which shall be implemented through county
20		contracts and agreements with destination marketing

HB1375 SD2 LRB 23-2085.docx

.

Page 18

1	organizations or other qualified organizations,		
2	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	(b) In accordance with subsection (a), the office shall		
8	develop measures of effectiveness to assess the overall benefits		
9	and effectiveness of the strategic tourism management plan and		
10	include documentation of the progress of the strategic tourism		
11	management plan toward achieving the office's strategic plan		
12	goals.		
13	§201-E Destination management action plan; objectives;		
14	county destination management action plans. To meet the		
15	destination management objectives for each county, the office		
16	shall perform the actions specified in each of the following		
17	three-year plans:		
18	(1) Oahu destination management action plan;		
19	(2) Maui Nui destination management action plan;		
20	(3) Hawaii island destination management action plan; and		
21	(4) Kauai destination management action plan,		

HB1375 SD2 LRB 23-2085.docx



1 during the specified phases.

2 §201-F Assistance by state and county agencies; advisory
3 group. (a) Any state or county agency may render services upon
4 request of the office.

5 (b) The office may establish an advisory group that may 6 meet monthly or as often as the office deems necessary and may include the executive director, director of transportation, 7 8 chairperson of the board of land and natural resources, 9 chairperson of the board of trustees of the office of Hawaiian 10 affairs, executive director of the state foundation on culture 11 and the arts, and chair of the travel industry management 12 advisory council of the University of Hawaii to advise the 13 office on matters relating to their respective departments or 14 agency in the preparation and execution of suggested:

15 (1) Measures to respond to tourism emergencies pursuant to
16 section 201-I;

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

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



Page 20

1 Programs to perpetuate the culture of Hawaii and (4) 2 engage local communities to sustain and preserve the Native Hawaiian culture; and 3 4 (5) Programs that include tourism marketing, best practice 5 destination management, and regenerative tourism as 6 part of an overall strategic tourism management plan. 7 §201-G Applicability of Hawaii public procurement code; convention center contractor; construction contracts. The 8 9 construction contracts for the maintenance of the convention 10 center facility by the private contractor that operates the 11 convention center, by its direct or indirect receipt of, and its 12 expenditure of, public funds from the department or the office, 13 or both, shall be subject to part III of chapter 103D. 14 §201-H Convention center enterprise special fund. (a) 15 There is established in the state treasury the convention center 16 enterprise special fund, into which shall be deposited: 17 A portion of the revenues from the transient (1) 18 accommodations tax, as provided by section 237D-6.5; 19 (2) All revenues or moneys derived from the operations of 20 the convention center to include all revenues from the 21 food and beverage service, all revenues from the

HB1375 SD2 LRB 23-2085.docx 

Page 21

1 parking facilities or from any concession, and all 2 revenues from the sale of souvenirs, logo items, or 3 any other items offered for purchase at the convention 4 center; 5 (3) Private contributions, interest, compensation, gross or net revenues, proceeds, or other moneys derived 6 7 from any source or for any purpose arising from the 8 use of the convention center facility; and 9 (4) Appropriations by the legislature for marketing the 10 facility pursuant to section 201-C(c)(6). 11 Moneys in the convention center enterprise special (b) 12 fund shall be used by the office for: 13 (1)The payment of expenses arising from any and all use, 14 operation, maintenance, alteration, improvement, or any unforeseen or unplanned repairs of the convention 15 16 center, including without limitation the food and 17 beverage service and parking service provided at the 18 convention center facility; The sale of souvenirs, logo items, or other items; 19 (2) Any future major repair, maintenance, and improvement 20 (3) 21 of the convention center facility as a commercial





1		enterprise or as a world class facility for
2		conventions, entertainment, or public events; and
3	(4)	Marketing the facility pursuant to section
4		201-C(c)(6).
5	(c)	Moneys in the convention center enterprise special
6	fund may	be:
7	(1)	Placed in interest-bearing accounts; provided that the
8		depository in which the money is deposited furnishes
9		security as provided in section 38-3; or
10	(2)	Otherwise invested by the office until the time the
11		moneys may be needed; provided that the office shall
12		limit its investments to those listed in section
13		36-21.
14	All inter	est accruing from investment of the moneys shall be
15	credited	to the convention center enterprise special fund.
16	§201	-I Tourism emergency. (a) If the executive director
17	determine	s that the occurrence of a world conflict, terrorist
18	threat, n	ational or global economic crisis, natural disaster,
19	outbreak	of disease, or other catastrophic event adversely
20	affects H	awaii's tourism industry by resulting in a substantial
21	interrupt	ion in the commerce of the State and adversely

HB1375 SD2 LRB 23-2085.docx

Page 23



affecting the welfare of its people, the executive director
 shall submit a request to the governor to declare that a tourism
 emergency exists.

4 (b) Upon declaration by the governor that a tourism emergency exists pursuant to subsection (a), the office shall 5 6 develop and implement measures to respond to the tourism 7 emergency, including providing assistance to visitors during the 8 emergency; provided that any tourism emergency response measure implemented pursuant to this subsection shall not include any 9 10 provision that would adversely affect the organized labor force in tourism-related industries. With respect to a national or 11 global economic crisis only, in addition to the governor's 12 13 declaration of the existence of a tourism emergency, no action 14 in response to the tourism emergency declaration may be taken by 15 the office without the governor's express approval.

16 §201-J Tourism emergency special fund. (a) There is
17 established outside the state treasury a tourism emergency
18 special fund to be administered by the executive director, into
19 which shall be deposited the revenues prescribed by section
20 237D-6.5(b) and all investment earnings credited to the assets
21 of the fund.





(b) Moneys in the special fund shall be used exclusively
 to provide for the development and implementation of emergency
 measures to respond to any tourism emergency pursuant to section
 201-I, including providing emergency assistance to visitors
 during the tourism emergency.

6 (c) Use of the special fund, consistent with subsection
7 (b), shall be provided for in articles, bylaws, resolutions, or
8 other instruments executed by the executive director.

9 §201-K Exemption from taxation. All revenues and receipts 10 derived by the office from any project or a project agreement or other agreement pertaining thereto shall be exempt from all 11 state taxation. Any right, title, and interest of the office in 12 13 any project shall also be exempt from all state taxation. 14 Except as otherwise provided by law, the interest of a qualified 15 person or other user of a project or a project agreement or 16 other agreements related to a project shall not be exempt from taxation to a greater extent than it would be if the costs of 17 18 the project were directly financed by the qualified person or 19 user.

20 §201-L Private attorneys. (a) The executive director may
21 appoint or retain by contract one or more attorneys who are





independent of the attorney general to provide legal services for the office solely in cases of contract negotiations in which the attorney general lacks sufficient expertise; provided that the independent attorney shall consult and work in conjunction with the designated deputy attorney general assigned to the office.

7 (b) The executive director may fix the compensation of the
8 attorneys appointed or retained pursuant to this section.
9 Attorneys appointed or retained by contract shall be exempt from
10 chapters 76, 78, and 88.

11 §201-M Court proceedings; preferences; venue. (a) Any 12 action or proceeding to which the office, the State, or the 13 county may be a party, in which any question arises as to the 14 validity of this part, shall be preferred over all other civil cases, except election cases, in the circuit court of the 15 16 circuit where the case or controversy arises, and shall be heard and determined in preference to all other civil cases pending 17 18 therein except election cases, irrespective of position on the 19 calendar.

20 (b) Upon application of counsel to the office, the same21 preference shall be granted in any action or proceeding

HB1375 SD2 LRB 23-2085.docx 

Page 26



questioning the validity of this part in which the office may be
 allowed to intervene.

3 (c) Any action or proceeding to which the office, the
4 State, or the county may be party, in which any question arises
5 as to the validity of this part or any portion of this part, or
6 any action of the office may be filed in the circuit court of
7 the circuit where the case or controversy arises, which court is
8 hereby vested with original jurisdiction over the action.

9 (d) Notwithstanding any provision of law to the contrary,
10 declaratory relief from the circuit court may be obtained for
11 any action.

(e) Any party aggrieved by the decision of the circuit
court may appeal in accordance with part I of chapter 641 and
the appeal shall be given priority.

15 S201-N Annual report. The office shall submit a complete 16 and detailed report of its activities, expenditures, and 17 results, including the progress of the strategic tourism 18 management plan, developed pursuant to section 201-D, toward 19 achieving the office's strategic plan goals, to the governor and 10 the legislature at least twenty days prior to the convening of 21 each regular session. The annual report shall include the





1 descriptions and evaluations of programs funded, any contracts and agreements entered into by the office during the preceding 2 3 calendar year, and any recommendations the office may make." 4 SECTION 3. Section 28-8.3, Hawaii Revised Statutes, is 5 amended as follows: 6 1. By amending subsection (a) to read: 7 "(a) No department of the State other than the attorney 8 general may employ or retain any attorney, by contract or 9 otherwise, for the purpose of representing the State or the 10 department in any litigation, rendering legal counsel to the 11 department, or drafting legal documents for the department; 12 provided that the foregoing provision shall not apply to the 13 employment or retention of attorneys: 14 (1) By the public utilities commission, the labor and 15 industrial relations appeals board, and the Hawaii 16 labor relations board; 17 (2) By any court or judicial or legislative office of the 18 State; provided that if the attorney general is 19 requested to provide representation to a court or 20 judicial office by the chief justice or the chief 21 justice's designee, or to a legislative office by the



Page 28



1		speaker of the house of representatives and the
2		president of the senate jointly, and the attorney
3		general declines to provide such representation on the
4		grounds of conflict of interest, the attorney general
5		shall retain an attorney for the court, judicial, or
6		legislative office, subject to approval by the court,
7		judicial, or legislative office;
8	(3)	By the legislative reference bureau;
9	(4)	By any compilation commission that may be constituted
10		from time to time;
11	(5)	By the real estate commission for any action involving
12		the real estate recovery fund;
13	(6)	By the contractors license board for any action
14		involving the contractors recovery fund;
15	(7)	By the office of Hawaiian affairs;
16	(8)	By the department of commerce and consumer affairs for
17		the enforcement of violations of chapters 480 and
18		485A;
19	(9)	As grand jury counsel;
20	(10)	By the Hawaii health systems corporation, or its
21		regional system boards, or any of their facilities;



1	(11)	By the auditor;
2	(12)	By the office of ombudsman;
3	(13)	By the insurance division;
4	(14)	By the University of Hawaii;
5	(15)	By the Kahoolawe island reserve commission;
6	(16)	By the division of consumer advocacy;
7	(17)	By the office of elections;
8	(18)	By the campaign spending commission;
9	(19)	By the [Hawaii-tourism-authority, as provided in
10		section 201B 2.5; ] office of tourism and destination
11		management, as provided in section 201-L;
12	(20)	By the division of financial institutions;
13	(21)	By the office of information practices;
14	(22)	By the school facilities authority;
15	(23)	By the Mauna Kea stewardship and oversight authority;
16		or
17	(24)	By a department, if the attorney general, for reasons
18		deemed by the attorney general to be good and
19		sufficient, declines to employ or retain an attorney
20		for a department; provided that the governor waives
21		the provision of this section."

HB1375 SD2 LRB 23-2085.docx



1 2. By amending subsection (c) to read: 2 "(c) Every attorney employed by any department on a 3 full-time basis, except an attorney employed by the public utilities commission, the labor and industrial relations appeals 4 5 board, the Hawaii labor relations board, the office of Hawaiian 6 affairs, the Hawaii health systems corporation or its regional 7 system boards, the department of commerce and consumer affairs 8 in prosecution of consumer complaints, insurance division, the 9 division of consumer advocacy, the University of Hawaii, [the 10 Hawaii tourism authority as provided in section 201B-2.5,] 11 office of tourism and destination management, as provided in section 201-L, the Mauna Kea stewardship and oversight 12 13 authority, the office of information practices, or as grand jury 14 counsel, shall be a deputy attorney general." SECTION 4. Section 36-27, Hawaii Revised Statutes, is 15 16 amended by amending subsection (a) to read as follows: 17 "(a) Except as provided in this section, and notwithstanding any other law to the contrary, from time to 18 time, the director of finance, for the purpose of defraying the 19 prorated estimate of central service expenses of government in 20 relation to all special funds, except the: 21



Page 31



1	(1)	Special out-of-school time instructional program fund
2		under section 302A-1310;
3	(2)	School cafeteria special funds of the department of
4		education;
5	(3)	Special funds of the University of Hawaii;
6	(4)	Convention center enterprise special fund under
7		section [ <del>201B-8;</del> ] <u>201-H;</u>
8	(5)	Special funds established by section 206E-6;
9	(6)	Aloha Tower fund created by section 206J-17;
10	(7)	Funds of the employees' retirement system created by
11		section 88-109;
12	(8)	Hawaii hurricane relief fund established under chapter
13		431P;
14	(9)	Hawaii health systems corporation special funds and
15		the subaccounts of its regional system boards;
16	(10)	Universal service fund established under
17		section 269-42;
18	(11)	Emergency and budget reserve fund under
19		section 328L-3;
20	(12)	Public schools special fees and charges fund under
21		section 302A-1130;

HB1375 SD2 LRB 23-2085.docx



1	(13)	Sport fish special fund under section 187A-9.5;
2	(14)	Neurotrauma special fund under section 321H-4;
3	(15)	Glass advance disposal fee established by
4		section 342G-82;
5	(16)	Center for nursing special fund under
6		section 304A-2163;
7	(17)	Passenger facility charge special fund established by
8		section 261-5.5;
9	(18)	Solicitation of funds for charitable purposes special
10		fund established by section 467B-15;
11	(19)	Land conservation fund established by section 173A-5;
12	(20)	Court interpreting services revolving fund under
13		section 607-1.5;
14	(21)	Trauma system special fund under section 321-22.5;
15	(22)	Hawaii cancer research special fund;
16	(23)	Community health centers special fund;
17	(24)	Emergency medical services special fund;
18	(25)	Rental motor vehicle customer facility charge special
19		fund established under section 261-5.6;
20	(26)	Shared services technology special fund under
21		section 27-43;

HB1375 SD2 LRB 23-2085.docx



1	(27)	Automated victim information and notification system
2		special fund established under section 353-136;
3	(28)	Deposit beverage container deposit special fund under
4		section 342G-104;
5	(29)	Hospital sustainability program special fund under
6		section 346G-4;
7	(30)	Nursing facility sustainability program special fund
8		under section 346F-4;
9	(31)	Hawaii 3R's school improvement fund under
10		section 302A-1502.4;
11	(32)	After-school plus program revolving fund under
12		section 302A-1149.5;
13	(33)	Civil monetary penalty special fund under
14		section 321-30.2; and
15	[+](34)[+	]Stadium development special fund under
16		section 109-3.5,
17	shall ded	uct five per cent of all receipts of all other special
18	funds, wh	ich deduction shall be transferred to the general fund
19	of the Sta	ate and become general realizations of the State. All
20	officers	of the State and other persons having power to allocate
21	or disbur	se any special funds shall cooperate with the director

HB1375 SD2 LRB 23-2085.docx

Page 34



1	in effect	ing these transfers. To determine the proper revenue
2	base upon	which the central service assessment is to be
3	calculate	d, the director shall adopt rules pursuant to chapter
4	91 for th	e purpose of suspending or limiting the application of
5	the centre	al service assessment of any fund. No later than
6	twenty day	ys prior to the convening of each regular session of
7	the legis	lature, the director shall report all central service
8	assessmen	ts made during the preceding fiscal year."
9	SECT	ION 5. Section 36-30, Hawaii Revised Statutes, is
10	amended by	y amending subsection (a) to read as follows:
11	"(a)	Each special fund, except the:
12	(1)	Special out-of-school time instructional program fund
13		under section 302A-1310;
14	(2)	School cafeteria special funds of the department of
15		education;
16	(3)	Special funds of the University of Hawaii;
17	(4)	Special funds established by section 206E-6;
18	(5)	Aloha Tower fund created by section 206J-17;
19	(6)	Funds of the employees' retirement system created by
20		section 88-109;

HB1375 SD2 LRB 23-2085.docx

Page 35



1	(7)	Hawaii hurricane relief fund established under
2		chapter 431P;
3	(8)	Convention center enterprise special fund established
4		under section [ <del>201B 8;</del> ] <u>201-H;</u>
5	(9)	Hawaii health systems corporation special funds and
6		the subaccounts of its regional system boards;
7	(10)	Universal service fund established under
8		section 269-42;
9	(11)	Emergency and budget reserve fund under
10		section 328L-3;
11	(12)	Public schools special fees and charges fund under
12		section 302A-1130;
13	(13)	Sport fish special fund under section 187A-9.5;
14	(14)	Neurotrauma special fund under section 321H-4;
15	(15)	Center for nursing special fund under
16		section 304A-2163;
17	(16)	Passenger facility charge special fund established by
18		section 261-5.5;
19	(17)	Court interpreting services revolving fund under
20		section 607-1.5;
21	(18)	Trauma system special fund under section 321-22.5;





1	(19)	Hawaii cancer research special fund;
2	(20)	Community health centers special fund;
3	(21)	Emergency medical services special fund;
4	(22)	Rental motor vehicle customer facility charge special
5		fund established under section 261-5.6;
6	(23)	Shared services technology special fund under
7		section 27-43;
8	(24)	Nursing facility sustainability program special fund
9		established pursuant to section 346F-4;
10	´(25)	Automated victim information and notification system
11		special fund established under section 353-136;
12	(26)	Hospital sustainability program special fund under
13		section 346G-4;
14	(27)	Civil monetary penalty special fund under
15		section 321-30.2; and
16	[+](28)[+	]Stadium development special fund under section
17		109-3.5,
18	shall be	responsible for its pro rata share of the
19	administr	ative expenses incurred by the department responsible
20	for the o	perations supported by the special fund concerned."

HB1375 SD2 LRB 23-2085.docx



1	SECTION 6. Section 84-18, Hawaii Revised Statutes, is
2	amended by amending subsection (e) to read as follows:
3	"(e) Subject to the restrictions imposed in subsections
4	(a) through (d), the following individuals shall not represent
5	any person or business for a fee or other consideration
6	regarding any legislative action or administrative action, as
7	defined in section 97-1, for twelve months after termination
8	from their respective positions:
9	(1) The governor;
10	(2) The lieutenant governor;
11	(3) The administrative director of the State;
12	(4) The attorney general;
13	(5) The comptroller;
14	(6) The chairperson of the board of agriculture;
15	(7) The director of corrections and rehabilitation;
16	(8) The director of finance;
17	(9) The director of business, economic development, and
18	tourism;
19	(10) The director of commerce and consumer affairs;
20	(11) The adjutant general;
21	(12) The superintendent of education;

HB1375 SD2 LRB 23-2085.docx



1	(13)	The chairperson of the Hawaiian homes commission;
2	(14)	The director of health;
3	(15)	The director of human resources development;
4	(16)	The director of human services;
5	(17)	The director of labor and industrial relations;
6	(18)	The chairperson of the board of land and natural
7		resources;
8	(19)	The director of law enforcement;
9	(20)	The director of taxation;
10	(21)	The director of transportation;
11	(22)	The president of the University of Hawaii;
12	(23)	The executive administrator of the board of regents of
13		the University of Hawaii;
14	(24)	The administrator of the office of Hawaiian affairs;
15	(25)	The chief information officer;
16	(26)	The executive director of the agribusiness development
17		corporation;
18	(27)	The executive director of the campaign spending
19		commission;
20	(28)	The executive director of the Hawaii community
21		development authority;





1	(29)	The executive director of the Hawaii housing finance
2		and development corporation;
3	(30)	The [ <del>president and chief executive officer of the</del>
4		Hawaii tourism authority;] executive director of the
5		office of tourism and destination management;
6	(31)	The executive officer of the public utilities
7		commission;
8	(32)	The state auditor;
9	(33)	The director of the legislative reference bureau;
10	(34)	The ombudsman;
11	(35)	The permanent employees of the legislature, other than
12		persons employed in clerical, secretarial, or similar
13		positions;
14	(36)	The administrative director of the courts;
15	(37)	The executive director of the state ethics commission;
16	(38)	The executive officer of the state land use
17		commission;
18	(39)	The executive director of the natural energy
19		laboratory of Hawaii authority;
20	(40)	The executive director of the Hawaii public housing
21		authority; and





1	(41)	The first deputy to the chairperson of the commission
2		on water resource management;
3	provided	that this subsection shall not apply to any person who
4	has held	one of the positions listed above only on an interim or
5	acting ba	sis and for a period of less than one hundred
6	eighty-on	e days."
7	SECT	ION 7. Section 88-9, Hawaii Revised Statutes, is
8	amended b	y amending subsection (d) to read as follows:
9	"(d)	A retirant may be employed without reenrollment in
10	the syste	m and suffer no loss or interruption of benefits
11	provided	by the system or under chapter 87A if the retirant is
12	employed:	
13	(1)	As an elective officer pursuant to section 88-42.6(c)
14		or as a member of the legislature pursuant to section
15		88-73(d);
16	(2)	As a juror or precinct official;
17	(3)	As a part-time or temporary employee excluded from
18		membership in the system pursuant to section 88-43, as
19		a session employee excluded from membership in the
20		system pursuant to section 88-54.2, [ <del>as the president</del>
21		and chief executive officer of the Hawaii tourism

HB1375 SD2 LRB 23-2085.docx

Page 41



1		<del>aut</del> h	ority-excluded-from membership in the system
2		purs	uant-to section 201B-2,] or as any other employee
3		expr	essly excluded by law from membership in the
4		syst	em; provided that:
5		(A)	The retirant was not employed by the State or a
6			county during the six calendar months prior to
7			the first day of reemployment; and
8		(B)	No agreement was entered into between the State
9			or a county and the retirant, prior to the
10			retirement of the retirant, for the return to
11			work by the retirant after retirement;
12	(4)	In a	position identified by the appropriate
13		juri	sdiction as a labor shortage or difficult-to-fill
14		posi	tion; provided that:
15		(A)	The retirant was not employed by the State or a
16			county during the twelve calendar months prior to
17			the first day of reemployment;
18		(B)	No agreement was entered into between the State
19			or a county and the retirant, prior to the
20			retirement of the retirant, for the return to
21			work by the retirant after retirement; and



1		(C)	Each employer shall contribute to the pension
2			accumulation fund the required percentage of the
3			rehired retirant's compensation to amortize the
4			system's unfunded actuarial accrued liability; or
5	(5)	As a	teacher or an administrator in a teacher shortage
6		area	identified by the department of education or in a
7		char	ter school or as a mentor for new classroom
8		teac	hers; provided that:
9		(A)	The retirant was not employed by the State or a
10			county during the twelve calendar months prior to
11			the first day of reemployment;
12		(B)	No agreement was entered into between the State
13			or a county and the retirant prior to the
14			retirement of the retirant, for the return to
15			work by the retirant after retirement; and
16		(C)	The department of education or charter school
17			shall contribute to the pension accumulation fund
18			the required percentage of the rehired retirant's
19			compensation to amortize the system's unfunded
20			actuarial accrued liability."

HB1375 SD2 LRB 23-2085.docx

1	SECT	ION 8	. Section 206E-34, Hawaii Revised Statutes, is
2	amended by	y ame	nding subsection (c) to read as follows:
3	"(C)	The	Hawaii community development authority shall:
4	(1)	Desi	gnate and develop the state-owned land for the
5		cult	ural public market;
6	(2)	Acce	pt, for consideration, input regarding the
7		esta	blishment of the cultural public market from the
8		foll	owing departments [and agencies]:
9		(A)	The department of agriculture;
10		(B)	The department of business, economic development,
11			and tourism;
12		(C)	The department of land and natural resources;
13		(D)	The department of labor and industrial relations;
14			and
15		(E)	The [Hawaii tourism authority;] office of tourism
16			and destination management;
17	(3)	Cons	ider and determine the propriety of using
18		publ	ic-private partnerships in the development and
19		oper	ation of the cultural public market;

HB1375 SD2 LRB 23-2085.docx



1	(4)	Develop, distribute, and accept requests for proposals
2		from private entities for plans to develop and operate
3		the cultural public market; and
4	(5)	Ensure that the Hawaiian culture is the featured
5		culture in the cultural public market."
6	SECT	ION 9. Section 225P-3, Hawaii Revised Statutes, is
7	amended b	y amending subsection (c) to read as follows:
8	"(C)	The commission shall include the following members:
9	(1)	The chairs of the standing committees of the
10		legislature with subject matter jurisdiction
11		encompassing environmental protection and land use;
12	(2)	The chairperson of the board of land and natural
13		resources or the chairperson's designee, who shall be
14		the co-chair of the commission;
15	(3)	The director of the office of planning and sustainable
16		development or the director's designee, who shall be
17		the co-chair of the commission;
18	(4)	The director of business, economic development, and
19		tourism or the director's designee;



Page 45



1	(5)	The chairperson of the board of directors of the
2		[Hawaii tourism authority] office of tourism and
3		destination management or the chairperson's designee;
4	(6)	The chairperson of the board of agriculture or the
5		chairperson's designee;
6	(7)	The chief executive officer of the office of Hawaiian
7		affairs or the officer's designee;
8	(8)	The chairperson of the Hawaiian homes commission or
9		the chairperson's designee;
10	(9)	The director of transportation or the director's
11		designee;
12	(10)	The director of health or the director's designee;
13	(11)	The adjutant general or the adjutant general's
14		designee;
15	(12)	The chairperson of the board of education or the
16		chairperson's designee;
17	(13)	The directors of each of the county planning
18		departments, or the directors' designees; and
19	(14)	The manager of the coastal zone management program."
20	SECT	ION 10. Section 237-24.75, Hawaii Revised Statutes, is
21	amended t	o read as follows:





1	"§23	7-24.75 Additional exemptions. In addition to the
2	amounts e	xempt under section 237-24, this chapter shall not
3	apply to:	
4	(1)	Amounts received as a beverage container deposit
5		collected under chapter 342G, part VIII;
6	(2)	Amounts received by the operator of the Hawaii
7		convention center for reimbursement of costs or
8		advances made pursuant to a contract with the [Hawaii
9		tourism authority under section 201B-7;] office of
10		tourism and destination management under
11		<pre>subsection 201-C(c); and</pre>
12	(3)	Amounts received by a professional employer
13		organization that is registered with the department of
14		labor and industrial relations pursuant to chapter
15		373L, from a client company equal to amounts that are
16		disbursed by the professional employer organization
17		for employee wages, salaries, payroll taxes, insurance
18		premiums, and benefits, including retirement,
19		vacation, sick leave, health benefits, and similar
20		employment benefits with respect to covered employees
21		at a client company; provided that this exemption





1	shall not apply to amounts received by a professional
2	employer organization after:
3	(A) Notification from the department of labor and
4	industrial relations that the professional
5	employer organization has not fulfilled or
6	maintained the registration requirements under
7	this chapter; or
8	(B) A determination by the department that the
9	professional employer organization has failed to
10	pay any tax withholding for covered employees or
11	any federal or state taxes for which the
12	professional employer organization is
13	responsible.
14	As used in this paragraph, "professional employer
15	organization", "client company", and "covered
16	employee" shall have the meanings provided in section
17	373L-1."
18	SECTION 11. Section 237D-6.5, Hawaii Revised Statutes, is
19	amended by amending subsection (b) to read as follows:
20	"(b) Except for the revenues collected pursuant to section
21	237D-2(e), revenues collected under this chapter shall be





1	distribut	ed in the following priority, with the excess revenues
2	to be dep	osited into the general fund:
3	(1)	\$1,500,000 shall be allocated to the Turtle Bay
4		conservation easement special fund beginning July 1,
5		2015, for the reimbursement to the state general fund
6		of debt service on reimbursable general obligation
7		bonds, including ongoing expenses related to the
8		issuance of the bonds, the proceeds of which were used
9		to acquire the conservation easement and other real
10		property interests in Turtle Bay, Oahu, for the
11		protection, preservation, and enhancement of natural
12		resources important to the State, until the bonds are
13		fully amortized;
14	(2)	\$11,000,000 shall be allocated to the convention
15		center enterprise special fund established under
16		section [ <del>201B-8;</del> ] <u>201-H;</u>
17	(3)	An allocation shall be deposited into the tourism
18		emergency special fund, established in section
19		[ <del>201B 10,</del> ] <u>201-J,</u> in a manner sufficient to maintain a
20		fund balance of \$5,000,000 in the tourism emergency
21		special fund; and





1	(4)	\$3,0	00,000 shall be allocated to the special land and
2		deve	lopment fund established under section 171-19;
3		prov	ided that the allocation shall be expended in
4		acco:	rdance with the Hawaii tourism [ <del>authority</del> ]
5		auth	prity's 2020-2025 strategic plan for:
6		(A)	The protection, preservation, maintenance, and
7			enhancement of natural resources, including
8			beaches, important to the visitor industry;
9		(B)	Planning, construction, and repair of facilities;
10			and
11		(C)	Operation and maintenance costs of public lands,
12			including beaches, connected with enhancing the
13			visitor experience.
14	All	trans	ient accommodations taxes shall be paid into the
15	state tre	asury	each month within ten days after collection and
16	shall be	kept 1	by the state director of finance in special
17	accounts	for d	istribution as provided in this subsection."
18	SECT	ION 1	2. Act 231, Session Laws of Hawaii 2005, section
19	2, is ame	nded [	by amending subsection (c) to read as follows:
20	"(C)	The	Hawaii community development authority shall:

## HB1375 SD2 LRB 23-2085.docx



1	(1)	Designate and develop the state-owned land for the
2		cultural public market;
3	(2)	Accept, for consideration, input regarding the
4		establishment of the cultural public market from the
5		following departments and agencies:
6		(A) The department of agriculture;
7		(B) The department of business, economic development,
8		and tourism;
9		(C) The department of land and natural resources;
10		(D) The department of labor and industrial relations;
11		and
12		(E) The [Hawaii tourism authority;] office of tourism
13		and destination management;
14	(3)	Consider and determine the propriety of [utilizing]
15		using public-private partnerships in the development
16		and operation of the cultural public market;
17	(4)	Develop, distribute, and accept requests for proposals
18		from private entities for plans to develop and operate
19		the cultural public market; and
20	(5)	Ensure that the Hawaiian culture is the featured
21		culture in the cultural public market."



SECTION 13. Chapter 201B, Hawaii Revised Statutes, is
 repealed.

3 SECTION 14. Sections 6E-18, 23-13, 23-76, 46-11, and
4 171-173, Hawaii Revised Statutes, are amended by substituting
5 the term "office of tourism and destination management", or
6 similar term, wherever the term "Hawaii tourism authority", or
7 similar term, appears, as the context requires.

8 SECTION 15. All rights, powers, functions, and duties of
9 the Hawaii tourism authority are transferred to the office of
10 tourism and destination management.

SECTION 16. All employees who occupy civil service 11 12 positions and whose functions are transferred to the office of tourism and destination management by this Act shall retain 13 their civil service status, whether permanent or temporary. 14 Employees shall be transferred without loss of salary, seniority 15 (except as prescribed by applicable collective bargaining 16 17 agreements), retention points, prior service credit, any 18 vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state 19 personnel laws and this Act; provided that the employees possess 20 21 the minimum qualifications and public employment requirements



H.B. NO. <sup>1375</sup> H.D. 3

for the class or position to which transferred or appointed, as
 applicable; provided further that subsequent changes in status
 may be made pursuant to applicable civil service and
 compensation laws.

Any employee who, prior to this Act, is exempt from civil 5 6 service and is transferred as a consequence of this Act may 7 retain the employee's exempt status, but shall not be appointed 8 to a civil service position as a consequence of this Act. An 9 exempt employee who is transferred by this Act shall not suffer 10 any loss of prior service credit, vacation or sick leave credits 11 previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employees possess 12 13 legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further 14 15 that subsequent changes in status may be made pursuant to 16 applicable employment and compensation laws. The executive director of the office of tourism and destination management may 17 18 prescribe the duties and qualifications of these employees and 19 fix their salaries without regard to chapter 76, Hawaii Revised 20 Statutes.





1 SECTION 17. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, 2 3 maps, and other personal property heretofore made, used, 4 acquired, or held by the Hawaii tourism authority relating to the functions transferred to the office of tourism and 5 destination management shall be transferred with the functions 6 7 to which they relate. 8 SECTION 18. All rules, policies, procedures, guidelines, and other material adopted or developed by the Hawaii tourism 9 authority to implement provisions of the Hawaii Revised Statutes 10 that are made applicable to the office of tourism and 11 12 destination management by this Act, shall remain in full force and effect until amended or repealed by the department of 13 business, economic development, and tourism pursuant to chapter 14 15 91, Hawaii Revised Statutes. In the interim, every reference to the Hawaii tourism

In the interim, every reference to the Hawaii tourism authority or the board of directors of the Hawaii tourism authority in those rules, policies, procedures, guidelines, and other material is amended to refer to the office of tourism and destination management and the executive director of the office of tourism and destination management, as appropriate.



H.B.	NO.	1375 H.D. 3
		S.D. 2

1	SECTION 19. There is appropriated out of the general
2	revenues of the State of Hawaii the sum of \$60,000,000 or so
3	much thereof as may be necessary for fiscal year 2023-2024 and
4	the same sum or so much thereof as may be necessary for fiscal
5	year 2024-2025 for the establishment, administration, and
6	operation of the office of tourism and destination management
7	and to fund the positions as provided in section 20; provided
8	that the appropriation shall be allocated as follows:
9	(1) \$4,110,649 for administrative costs;
10	(2) \$17,969,351 for destination management; and
11	(3) \$37,920,000 for branding, including major sports.
12	The sums appropriated shall be expended by the office of
13	tourism and destination management for the purposes of this Act.
14	SECTION 20. (a) Notwithstanding any other law to the
15	contrary, the office of tourism and destination management shall
16	be organized as provided in this section for fiscal years
17	2023-2024 and 2024-2025.
18	(b) The office of tourism and destination management shall
19	be headed by one full-time equivalent (1.0 FTE) executive
20	director position, who shall be assisted by one full-time
21	equivalent (1.0 FTE) assistant executive director position;

# HB1375 SD2 LRB 23-2085.docx



1	provided	that the executive director shall be paid a salary not
2	to exceed	ninety per cent of the salary of the director of
3	business,	economic development, and tourism. The assistant
4	executive	director shall be paid a salary not to exceed ninety
5	per cent	of the executive director's salary. There shall be
6	establish	ed one full-time equivalent (1.0 FTE) management
7	analyst p	osition and one full-time equivalent (1.0 FTE)
8	executive	assistant position, who shall report to the assistant
9	executive	director.
10	(c)	There shall be established:
11	(1)	One full-time (1.0 FTE) equivalent chief financial
12		officer position, who shall report to the assistant
13		executive director;
14	(2)	One full-time equivalent (1.0 FTE) budget and fiscal
15		officer position;
16	(3)	One full-time equivalent (1.0 FTE) administrative
17		assistant position, who shall report to the budget and
18		fiscal officer;
19	(4)	One full-time equivalent (1.0 FTE) procurement manager
20		position, who shall report to the chief financial
21		officer; and



1	(5)	One full-time equivalent (1.0 FTE) administrative
2		assistant position, who shall report to the
3		procurement manager.
4	(d)	There shall be established:
5	(1)	One full-time equivalent (1.0 FTE) chief branding,
6		cultural, and marketing officer position, who shall
7		report to the assistant executive director and be
8		assisted by one full-time equivalent (1.0 FTE)
9		administrative assistant position;
10	(2)	One full-time equivalent (1.0 FTE) senior brand
11		manager position and one full-time equivalent (1.0
12		FTE) senior cultural manager position, who shall
13		report to the chief branding, cultural, and marketing
14		officer;
15	(3)	Three full-time equivalent (3.0 FTE) brand manager
16		positions, who shall report to the senior branding
17		manager; and
18	(4)	One full-time equivalent (1.0 FTE) cultural specialist
19		position, who shall report to the senior cultural
20		manager.
21	(e)	There shall be established:



Page 57

1	(1)	One full-time equivalent (1.0 FTE) director of
2		destination management position, who shall report to
3		the assistant executive director and who shall be
4		assisted by one full-time equivalent (1.0 FTE)
5		administrative assistant position; and
6	(2)	One full-time equivalent (1.0 FTE) natural resource
7		manager position, one full-time equivalent (1.0 FTE)
8		Oahu community specialist position, one full-time
9		equivalent (1.0 FTE) Kauai community specialist
10		position, one full-time equivalent (1.0 FTE) Maui
11		community specialist position, and one full-time
12		equivalent (1.0 FTE) Hawaii island community
13		specialist position, who shall report to the director
14		of destination management.
15	(f)	There shall be established one full-time equivalent
16	(1.0 FTE)	director of the convention center position, who shall
17	report to	the assistant executive director.
18	SECT	ION 21. There is appropriated out of the convention

18 SECTION 21. There is appropriated out of the convention 19 center enterprise special fund the sum of \$28,500,000 or so much 20 thereof as may be necessary for fiscal year 2023-2024 and the 21 same sum or so much thereof as may be necessary for fiscal year





1 2024-2025 for payment of expenses arising from any and all use, 2 operation, maintenance, alteration, improvement, or any 3 unforeseen or unplanned repairs of the convention center, including without limitation the food and beverage service and 4 5 parking service provided at the convention center facility; the 6 sale of souvenirs, logo items, or other items; for any future 7 major repair, maintenance, and improvement of the convention 8 center facility as a commercial enterprise or as a world class 9 facility for conventions, entertainment, or public events; and 10 for marketing the convention center facility.

11 The sums appropriated shall be expended by the department 12 of business, economic development, and tourism for the purposes 13 of this Act.

SECTION 22. There is appropriated out of the general revenues of the State of Hawaii the sum of \$64,000,000 or so much thereof as may be necessary for fiscal year 2023-2024 for plans, design, construction, and equipment for repairs and improvements of the convention center rooftop terrace deck. The sum appropriated shall be expended by the office of

20 tourism and destination management for the purposes of this Act.



1	SECTION 23. In codifying the new sections added by
2	section 2 of this Act, the revisor of statutes shall substitute
3	appropriate section numbers for the letters used in designating
4	the new sections in this Act.
5	SECTION 24. Statutory material to be repealed is bracketed
6	and stricken. New statutory material is underscored.
7	SECTION 25. This Act shall take effect upon approval;
8	provided that sections 19 through 22 of this Act shall take
9	effect on July 1, 2023; provided further that changes made to
10	section 237D-6.5, Hawaii Revised Statutes, shall not be repealed
11	when that section is repealed and reenacted on June 30, 2023,
12	pursuant to section 5 of Act 229, Session Laws of Hawaii 2021.

•





#### Report Title:

HTA; Board of Directors; Repeal; DBEDT; Office of Tourism and Destination Management; Establishment; Regenerative Tourism; Destination Management Action Plans; Positions; Convention Center Enterprise Special Fund; Appropriation

#### Description:

Establishes an Office of Tourism and Destination Management within the Department of Business, Economic Development, and Tourism that encompasses regenerative tourism and best practice destination management. Transfers the functions, duties, appropriations, and positions of the Hawaii Tourism Authority to the Office of Tourism and Destination Management. Requires the Office of Tourism and Destination Management to implement certain county destination management action plans. Dissolves the Hawaii Tourism Authority and the Board of Directors for the Hawaii Tourism Authority. Appropriates funds. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

