

ACT 131

H.B. NO. 1692

A Bill for an Act Relating to Tourism.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201B-3, Hawaii Revised Statutes, is amended to read as follows:

“§201B-3 Powers ~~[and duties.]~~, generally. (a) Except as otherwise limited by this chapter, the authority may:

- (1) Sue and be sued;
- (2) Have a seal and alter the same at pleasure;
- (3) Through its president and chief executive officer, make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter; provided that the authority may enter into contracts and agreements for a period of up to five years, subject to the availability of funds; and provided further that the authority may enter into agreements for the use of the convention center facility for a period of up to ten years;
- (4) Make and alter bylaws for its organization and internal management;
- (5) Unless otherwise provided in this chapter, adopt rules in accordance with chapter 91 with respect to its projects, operations, properties, and facilities;
- (6) Through its president and chief executive officer, represent the authority in communications with the governor and the legislature;
- (7) Through its president and chief executive officer, provide for the appointment of officers, agents, a sports coordinator, and employees, subject to the approval of the board, prescribing their duties and qualifications, and fixing their salaries, without regard to chapters 76 and 78, if there is no anticipated revenue shortfall in the tourism special fund and funds have been appropriated by the legislature and allotted as provided by law;
- (8) Through its president and chief executive officer, purchase supplies, equipment, or furniture;
- (9) Through its president and chief executive officer, allocate the space or spaces that are to be occupied by the authority and appropriate staff;
- (10) Through its president and chief executive officer, engage the services of qualified persons to implement the State’s tourism marketing plan or portions thereof as determined by the authority;
- (11) Through its president and chief executive officer, engage the services of consultants on a contractual basis for rendering professional and technical assistance and advice;
- (12) Procure insurance against any loss in connection with its property and other assets and operations in amounts and from insurers as it deems desirable;
- (13) Contract for or accept revenues, compensation, proceeds, and gifts or grants in any form from any public agency or any other source~~]; including any revenues or proceeds arising from the operation or use of the convention center];~~
- (14) Develop, coordinate, and implement state policies and directions for tourism and related activities taking into account the economic, social, and physical impacts of tourism on the State ~~[and its natural resources infrastructure; provided that the authority shall support the efforts of other state and county departments or agencies to manage, improve, and protect]~~, Hawaii’s natural environment, and areas frequented by visitors;
- (15) Have a permanent, strong focus on ~~[marketing and promotion;]~~ Hawaii brand management;
- (16) Conduct market development-related research as necessary;

- (17) Coordinate all agencies and advise the private sector in the development of tourism-related activities and resources;
 - (18) Work to eliminate or reduce barriers to travel to provide a positive and competitive business environment, including coordinating with the department of transportation on issues affecting airlines and air route development;
 - (19) Market and promote sports-related activities and events;
 - (20) Coordinate the development of new products with the counties and other persons in the public sector and private sector, including the development of sports, culture, health and wellness, education, technology, agriculture, and nature tourism;
 - (21) Establish a public information and educational program to inform the public of tourism and tourism-related problems;
 - (22) Encourage the development of tourism educational, training, and career counseling programs;
 - (23) Establish a program to monitor, investigate, and respond to complaints about problems resulting directly or indirectly from the tourism industry and taking appropriate action as necessary;
 - (24) Develop and implement emergency measures to respond to any adverse effects on the tourism industry, pursuant to section 201B-9;
 - (25) Set and collect rents, fees, charges, or other payments for the lease, use, occupancy, or disposition of the convention center facility without regard to chapter 91;
 - (26) Notwithstanding chapter 171, acquire, lease as lessee or lessor, own, rent, hold, and dispose of the convention center facility in the exercise of its powers and the performance of its duties under this chapter; and
 - (27) Acquire by purchase, lease, or otherwise, and develop, construct, operate, own, manage, repair, reconstruct, enlarge, or otherwise effectuate, either directly or through developers, a convention center facility.
- ~~[(b) The authority shall be responsible for:~~
- ~~(1) Promoting, marketing, and developing the tourism industry in the State;~~
 - ~~(2) Arranging for the conduct of research through contractual services with the University of Hawaii or any agency or other qualified persons concerning social, economic, and environmental aspects of tourism development in the State; provided that, where public disclosure of information gathered by the authority may place businesses at a competitive disadvantage and impair or frustrate the authority's ability to obtain information for a legitimate government function, the authority may withhold from public disclosure competitively sensitive information, including:~~
 - ~~(A) Completed survey and questionnaire forms;~~
 - ~~(B) Coding sheets; and~~
 - ~~(C) Database records of the information;~~
 - ~~(3) Providing technical or other assistance to agencies and private industry upon request;~~
 - ~~(4) Creating a vision and developing a long range strategic plan for tourism in Hawaii; and~~
 - ~~(5) Reviewing annually the expenditure of public funds by any visitor industry organization with which the authority contracts to perform tourism promotion, marketing, and development and making recommendations necessary to ensure the effective use of the funds~~

~~for the development of tourism. The authority shall also prepare annually a report of expenditures, including descriptions and evaluations of programs funded, together with any recommendations the authority may make and shall submit the report to the governor and the legislature as part of the annual report required under section 201B-16.~~

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

(c) As used in this section, "Hawaii brand" shall have the same meaning as in section 201B-6.

SECTION 2. Section 201B-6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The authority shall be responsible for developing a tourism marketing plan. The plan shall be a single, comprehensive document that shall be updated every year and [includes] include the following:

- (1) Statewide ~~[promotional]~~ Hawaii brand management efforts and programs;
- (2) Targeted markets;
- (3) Efforts to enter into Hawaii brand [marketing] management projects that make effective use of cooperative ~~[advertising]~~ programs;
- (4) Program performance goals and targets that can be monitored as market gauges and used as attributes to evaluate the authority's ~~[promotional]~~ programs; and
- (5) ~~[Coordination of marketing plans of all destination marketing organizations receiving state funding prior to finalization of the authority's marketing plan.]~~ The authority's guidance and direction for the development and coordination of promotional and marketing programs that build and promote the Hawaii brand, which are implemented through contracts and agreements with destination marketing organizations or other qualified organizations, including:
 - (A) Target markets and the results being sought;
 - (B) Key performance indicators; and
 - (C) Private sector collaborative or cooperative efforts that may be required.

As used in this section, "Hawaii brand" means the programs that collectively differentiate the Hawaii experience from other destinations."

SECTION 3. Section 201B-7, Hawaii Revised Statutes, is amended to read as follows:

"§201B-7 Tourism-related activities. (a) The authority may enter into contracts and agreements that include the following:

- (1) Tourism promotion, marketing, and development;
- (2) Market development-related research;
- (3) Product development and diversification issues focused on visitors;
- (4) Promotion, development, and coordination of sports-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;

- (7) Marketing, management, use, operation, or maintenance of the convention center facility, including the purchase or sale of goods or services, logo items, concessions, sponsorships, and license agreements, or any use of the convention center facility as a commercial enterprise; provided that effective January 1, 2003, and thereafter, the contract for management of the convention center facility shall include marketing for all uses of the facility;
- (8) Tourism research and statistics to:
 - (A) Measure and analyze tourism trends;
 - (B) Provide information and research to assist in the development and implementation of state tourism policy; and
 - (C) Provide tourism information on:
 - (i) Visitor arrivals, visitor characteristics, and expenditures;
 - (ii) The number of transient accommodation units available, occupancy rates, and room rates;
 - (iii) Airline-related data including seat capacity and number of flights;
 - (iv) The economic, social, and physical impacts of tourism on the State; and
 - (v) The effects of the marketing programs of the authority on the measures of effectiveness developed pursuant to section 201B-6(b); and
- (9) Any and all other activities necessary to carry out the intent of this chapter;

provided that the authority shall periodically submit a report of the contracts and agreements entered into by the authority to the governor, the speaker of the house of representatives, and the president of the senate.

(b) The authority shall be responsible for:

- (1) Creating a vision and developing a long-range strategic plan for tourism in Hawaii;
- (2) Promoting, marketing, and developing the tourism industry in the State;
- (3) Arranging for the conduct of research through contractual services with the University of Hawaii or any agency or other qualified persons concerning social, economic, and environmental aspects of tourism development in the State;
- (4) Providing technical or other assistance to agencies and private industry upon request;
- (5) Perpetuating the uniqueness of the native Hawaiian culture and community, and their importance to the quality of the visitor experience, by ensuring that:
 - (A) The Hawaiian culture is accurately portrayed by Hawaii's visitor industry;
 - (B) Hawaiian language is supported and normalized as both an official language of the State as well as the foundation of the host culture that draws visitors to Hawaii;
 - (C) Hawaiian cultural practitioners and cultural sites that give value to Hawaii's heritage are supported, nurtured, and engaged in sustaining the visitor industry; and
 - (D) A native Hawaiian cultural education and training program is provided for the visitor industry workforce having direct contact with visitors; and
- (6) Reviewing annually the expenditure of public funds by any visitor industry organization that contracts with the authority to perform

tourism promotion, marketing, and development and making recommendations necessary to ensure the effective use of the funds for the development of tourism.

~~[(b)]~~ (c) The authority may delegate to staff the responsibility for soliciting, awarding, and executing contracts[,] and for monitoring and facilitating any and all functions developed in accordance with [subsection (a)-] this section.

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

- (1) Completed survey forms and questionnaire forms;
- (2) Coding sheets; and
- (3) Database records of the information."

SECTION 4. Section 201B-16, Hawaii Revised Statutes, is amended to read as follows:

"[~~§~~201B-16] Annual report. The authority shall submit a complete and detailed report of its activities, expenditures, and results, including the progress of the tourism marketing plan developed pursuant to section 201B-6, toward achieving the authority's strategic plan goals, to the governor and the legislature at least twenty days prior to the convening of each regular session of the legislature. The annual report shall include the descriptions and evaluations of programs funded, together with any recommendations the authority may make."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.
(Approved June 24, 2014.)