

LINDA LINGLE
GOVERNOR
MARSHA WIENERT
TOURISM LIAISON

TOURISM LIAISON

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 586-2362
Fax: (808) 586-2370

Statement of
MARSHA WIENERT
Tourism Liaison

Department of Business, Economic Development & Tourism
before the

HOUSE COMMITTEE ON TOURISM & CULTURE

Monday, January 28, 2008

10:00 a.m.

State Capitol, Conference Room 325

in consideration of

HB 3348

RELATING TO HISTORIC PRESERVATION.

Chair Yamane and Members of the House Committee on Tourism & Culture.

The Department of Business, Economic Development and Tourism has concerns with HB 3348, which appropriates a portion of the transient accommodations tax deposited into the tourism special fund to the Hawaii Preservation Fund.

We recognize that historic preservation efforts and the need to protect and perpetuate historic structures are important to our heritage, our residents and the visitor industry. Our concern with HB 3348, however, is with diverting tourism special funds to this endeavor.

Hawaii's economy has benefited greatly from a robust visitor industry over the past few years, but we know that 2008 and 2009 will be challenging. Any diversion of funds from the Hawaii Tourism Authority (HTA) could have a significant effect on their marketing programs. Now is not the time to decrease funding for marketing initiatives, as every effort should be made to support and enhance these programs, which in turn, will benefit the economy overall.

Additionally, the HTA has a cultural preservation program and recently announced the selection of 20 non-profit organizations that would receive funding this year (see attached news release and list of projects and organizations). We would like to suggest that the Historic Hawaii Foundation work with the HTA as a part of their existing program to help preserve our cultural heritage.

Thank you for giving me the opportunity to comment on HB 3348.



Hawai'i Tourism Authority

Hawai'i Convention Center, 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
Web site: www.hawaiitourismauthority.org

LINDA LINGLE
Governor

REX D. JOHNSON
President and Chief Executive Officer

Telephone: (808) 973-2255
Fax: (808) 973-2253

NEWS RELEASE

For Immediate Release: January 18, 2008 (08-04)

HTA ANNOUNCES 2008 HAWAIIAN CULTURE PROGRAM AWARDS

HONOLULU – The Hawai'i Tourism Authority (HTA), in partnership with the Council for Native Hawaiian Advancement (CNHA) and with guidance from its Hawaiian Cultural Program Advisory Council (HCPAC), has announced the selection of 20 organizations that will receive funding in 2008 through its "Kūkulu Ola – HTA Living Hawaiian Culture Program" (see attached listing of programs).

"The Native Hawaiian host culture is what continues to make Hawai'i unique and different from other destinations in the world," said Rex Johnson, HTA president and chief executive officer. "The programs that will be receiving funding support were selected for their commitment to perpetuating the Hawaiian culture."

HTA's partnership with the CNHA, announced in August 2007, helped to increase the amount of applications and proposals received. CNHA conducted free statewide workshops to provide potential applicants with technical assistance and training that explained the objectives of the Kūkulu Ola – HTA Living Hawaiian Culture Program, including the application and award process. Additionally, as part of this new partnership, CNHA will track results and handle administrative duties.

The programs were selected on criteria designed to address the goal and objectives identified in the *Hawai'i Tourism Strategic Plan: 2005-2015 (TSP)* for the Hawaiian Culture initiative. The objectives include: strengthening the relationship between the visitor industry and the Hawaiian community; nurturing the Hawaiian culture by creating visitor experiences, activities and marketing programs that are respectful and accurate; and supporting Hawaiian programs and cultural practitioners, craftsmen, musicians, and other artists that preserve and perpetuate the Hawaiian culture. Through the Kūkulu Ola – HTA Living Hawaiian Culture Program, one-to-one matching funds were provided to businesses and organizations that honor and perpetuate the Hawaiian culture and community.

The Council for Native Hawaiian Advancement is a nonprofit that enhances the cultural, economic and community development of Native Hawaiians by supporting community-based organizations that contribute to the well-being of the Hawaiian Islands and its people. The list of

January 18, 2008 (08-04)

Page 2

LHCP awardees and information on projects can be found on the programs dedicated website at www.livinghawaiianculture.org. For more information about CNHA or the HTA Living Hawaiian Culture Program, contact the CNHA office at 596-8155, toll-free at 1.800.709.2642 or via e-mail at info@hawaiiancouncil.org or info@livinghawaiianculture.org.

The Hawai'i Tourism Authority is the state's tourism agency and was created in 1998 to ensure a successful visitor industry well into the future. Its mission is to strategically manage Hawai'i tourism in a sustainable manner consistent with our economic goals, cultural values, preservation of natural resources, community desires, and visitor industry needs. For more information, please visit www.hawaiitourismauthority.org.

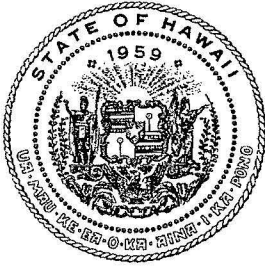
#

For more information, contact:
Sharon Freitas
Director of Communications
Hawai'i Tourism Authority
(808) 973-2272

HTA 2008 Living Hawaiian Culture Program Awards

Organization	Project / Program Title	Project / Program Description	Location
Anahola Hawaiian Homes Association	AKAMAI Mahi'ai Cultural Training and Agri-Tourism	The overall goal of the AKAMAI Mahi'ai Cultural Training and Agri-Tourism Program is to develop the infrastructure and coordinate the human and programming resources required to create and sustain a hands-on Hawaiian culture learning and practitioner development environment. The program also plans to develop a cultural demonstration hale and Native Hawaiian resource garden.	Kaua'i
Bishop Museum	Amy Greenwell Garden Growing Hawaiian Culture Project	The goal of the Amy Greenwell Garden Growing Hawaiian Culture Project is to enhance and improve the visitor access and experience at the garden in Captain Cook, Kona.	Hawai'i
Community Development Pacific, Inc.	Ala Hele ma Mo'omomi	The Ala Hele ma Mo'omomi project marks and maps the walking trail for local families and visitors to Mo'omomi. It includes interpretive brochures and lesson plans for educators that provide insight into the cultural resources in Mo'omomi.	Moloka'i
Hāna Retreat	Canoe Plant Gardens & Workshop Series	The goal of the Canoe Plant Gardens & Workshop Series is to increase self-sufficiency of the Hāna community in production of crops for cultural and food use and to increase the knowledge and skills in the use of plants.	Maui
Hawai'i Maoli	Hawaiian Cultural Resource Directory	The Hawaiian Cultural Resource Directory is intended to create a directory of Hawaiian cultural practitioners. The directory will primarily be an online resource, but it will be capable of formatting into hard copy and CD-ROM versions.	O'ahu
Ho'omaikai LLC	Ho'omau Nā Mea Hala	Ho'omau Nā Mea Hala, will create meaningful opportunities for Hawaiian lauhala weavers to share first hand with visitors and locals, the art, history and experience of Hawaiian lauhala weaving.	O'ahu
Hui Kū Maoli Ola	Lelekamanu – Moloka'i Project	The Lelekamanu – Moloka'i Project will teach participants Hawaiian stewardship of the 'āina by increasing their knowledge of the environment and community involvement.	O'ahu
Hula Preservation Society	Preserving the Past, Sharing the Future	The goal of Preserving the Past, Sharing the Future is to conduct 20 oral interviews with hula elders on all major islands and to share these meetings by preparing one video.	O'ahu
Ka Meheu 'Ohu O Ka Honu	Ho'omanao I Nā Wā I Huliau	Ho'omanao I Nā Wā I Huliau is a traveling panoramic show, which will utilize life-sized images as a background for kūpuna and practitioners to share stories of Hawaiian traditions and values.	Maui
Ka'ala Farm, Inc	Hālau Kapa	The Hālau Kapa project strengthens ties to Hawaiian culture by focusing on the teaching and production of kapa (bark cloth), as part of larger lessons on traditional values.	O'ahu

Kahilu Theater Foundation	2008 'Ukulele and Slack Key Guitar Institute	The goal of the 2008 'Ukulele and Slack Key Guitar Institute in Waimea, Hawai'i is to document paniolo music through interviews with Kūpuna from the region. The combination of performance, education, and hands-on play provides an environment that cultivates a deep love and understanding of these forms of Hawaiian music.	Hawai'i
Keomailani Hanapi Foundation	Pu'uhonua o Hōnaunau NHP 47th Annual Cultural Festival	The goal of the 47th Annual Cultural Festival – Pu'uhonua o Hōnaunau National Historical Park is to perpetuate the culture and history of Hawai'i by honoring the park as a significant place of Hawai'i.	Hawai'i
Kipahulu Ohana Inc.	Kapahu Living Farm	The goal of Kapahu Living Farm in the communities of Kipahulu and Hāna, is to increase the production of kalo, poi and other crops through maintenance of 23 existing lo'i, restoration of seven additional lo'i and the planting of additional crops, including mai'a, 'uala, kō, 'ulu, niu, and wauke.	Maui
Lyman House Memorial Museum dba Lyman	Lei Hulu: The Hawaiian Art of Feather Lei Making	The Lei Hulu: The Hawaiian Art of Feather Lei Making project perpetuates, honors and supports this unique Hawaiian art form and the cultural practitioners who continue its traditions.	Hawai'i
Maui Arts and Cultural Center	Kūlanihāko'i	Kūlanihāko'i is a series of three cultural productions that hula hālau and kumu hula are producing in order to showcase and perpetuate the cultural knowledge of oli and hula.	Maui
Moku Ola Education Foundation	Growth of Hawaiian Healing Arts	The goal of Growth of Hawaiian Healing Arts is to provide education about and access to the traditional Hawaiian cultural health practices of lomilomi and lā'au lapa'au to the Native Hawaiian community, local community and visitors.	O'ahu
Paepae O He'eia	E Ola ke Kua o He'eia	E Ola ke Kua o He'eia aims to restore damaged sections of He'eia Fishpond and increase community awareness through cultural education.	O'ahu
PA'I Foundation	MAMO: Maoli Arts Month	Maoli Arts Month 2008 will coordinate several events that will showcase Native Hawaiian artists. The project will feature artists who will exhibit, demonstrate and display their works to as many as 5,000 people.	O'ahu
The Kohala Center	Puana 'Ike Lecture Series	The goal of the Puana 'Ike Lecture Series is to nurture Hawaiian culture by providing both visitors and residents with exposure to accurate information about authentic Native Hawaiian knowledge and practices with high quality speakers, presentations, and demonstrations.	Hawai'i
Wai'anae Coast Coalition	Three Wai'anae Coast Cultural Events 2008	The Three Wai'anae Coast Cultural Events 2008 include starlight story telling in June, Hō'ike'ike O Wai'anae in September and a Maoli Arts and Sciences festival in October featuring master artists and cultural practitioners of Hawai'i.	O'ahu



Hawaii Tourism Authority

Hawaii Convention Center, 1801 Kalakaua Avenue, Honolulu, Hawaii 96815
Website: www.hawaii.gov/tourism

LINDA LINGLE
Governor

REX D. JOHNSON
President and Chief Executive Officer

Telephone: (808) 973-2255
Fax: (808) 973-2253

Testimony of
Rex Johnson
President and Chief Executive Officer
Hawai'i Tourism Authority

on
H.B. 3348
Relating to Historic Preservation

House Committee on Tourism & Culture
Monday, January 28, 2008
10:00 a.m.
Conference Room 325

The Hawai'i Tourism Authority (HTA) strongly opposes H.B. 3348, which transfers one percent of the monies in the Tourism Special Fund to a Hawaii Preservation Fund for two years to be used by the Historic Hawaii Foundation to make grants to non-profit organizations for preservation services.

The goal of the Tourism Product Development Initiative in the *Hawai'i Tourism Strategic Plan: 2005 – 2015 (State TSP)*, is "to provide a diverse and quality tourism product unique to Hawai'i that enhances the Hawai'i visitor experience and enriches residents' quality of life." In support of this initiative, the HTA has funded programs such as Historic Hawai'i Foundation's Downtown-Chinatown Historic Trail, the Kona Historical Society's Kona Heritage Ranch Oral Histories, and the Wahiawa Community and Business Association's Historic Tour of Wahiawa through its County Product Enrichment Program. Rather than setting up a new fund, those organizations that would apply for grants through the fund that this bill proposes to establish should apply for grants through the County Product Enrichment Program.

H.B. 3348 seeks to direct transient accommodations tax revenues to capitalize a fund that is not a state fund from which grants will be awarded to organizations dedicated to historic preservation. There are a number of problems with what this bill is attempting to do:

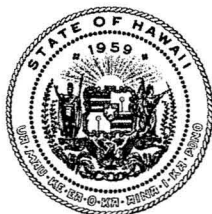
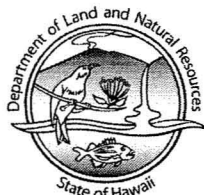
- The Hawaii Constitution provides that no appropriation of public money shall be made directly or indirectly, except for a public purpose (the Hawaii Preservation Fund is not a state fund).
- The monies deposited into the Hawaii Preservation Fund are to be used to make grants to organizations for preservation services. Grants using state funds, however, are made by the Legislature subject to the standards of the grants law (Chapter 42F), and have to be monitored by the expending agency for compliance with the law, public purpose, and legislative intent.

- The Department of Land and Natural Resources has a Historic Preservation Special Fund, which may be used to, "*...provide financial assistance to public agencies and private agencies in accordance with chapter 42F involved in historic preservation activities...*".
- The Tourism Special Fund is to be used for tourism promotion, market development-related research, reduction of barriers to travel, promotion of sports-related activities and events, and product development, which has included heritage and historic tourism programs.

This bill is not the proper way to achieve funding for historic preservation grants. There are already means to fund grants and subsidies for historic preservation programs that qualify under Chapter 42F.

Thank you for the opportunity to provide these comments.

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**TESTIMONY OF THE CHAIRPERSON
OF THE BOARD OF LAND AND NATURAL RESOURCES**

on House Bill 3348 – Relating to Historic Preservation

**BEFORE THE HOUSE COMMITTEE
ON
TOURISM AND CULTURE**

Monday, January 28, 2008

House Bill 2248 directs a portion of the transit accommodation tax to the Hawaii Preservation Fund, as administered by the National Trust for Historic Preservation, in cooperation with the Historic Hawaii Foundation.

The Department of Land and Natural Resources (Department) supports the intent of House Bill 3348 and greatly appreciates the work and support of the Historic Hawaii Foundation. However, the Department would ask the committee to support the Department's Supplemental Budget request, which allocates funds to the Department's Historic Preservation Division, to support historic preservation across the State.

TESTIMONY OF MURRAY TOWILL
PRESIDENT
HAWAI'I HOTEL & LODGING ASSOCIATION

January 28, 2008

HB 3348: Relating to Historic Preservation

Good morning Chairman Yamane and members of the House Committee on Tourism & Culture. I am Murray Towill, President of the Hawai'i Hotel & Lodging Association.

The Hawai'i Hotel & Lodging Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 170 hotels representing over 47,300 rooms. Our hotel members range from the 2,523 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawai'i Hotel & Lodging Association strongly opposes HB 3348 Relating to Historic Preservation. This proposal would divert substantial funds from the tourism special fund to a Hawaiian Preservation Fund.

The industry supported an increase in the Transient Accommodations Tax ("TAT") in exchange for the creation of the Hawaii Tourism Authority ("HTA") and the TAT proceeds being set aside for the HTA. The HTA and its funds are to be administered by Directors appointed through a legislatively determined process.

We believe it is inappropriate for the legislature to divert funds from the Tourism Special Fund for this type of purpose. If the legislature believes additional funds should be provided to the Hawaii Preservation Fund, funds should be appropriated from the General Revenue of the State and not the TAT and the Tourism Special Fund.

Mahalo again for this opportunity to testify.

VIA EMAIL: TACtestimony@Capitol.hawaii.gov

Submit 5 copies

To: Representative Ryan I. Yamane, Chair
Representative Joey Manahan, Vice Chair
Committee on Tourism and Culture

From: Samuel A. Cooke
2859 Mānoa Road, Honolulu, HI 96822

Committee Date: Monday, January 28, 2008
10:00 am
Conference Room 325

Subject: **Support of HR3348**
Relating to Historic Preservation

HR3348 would appropriate funds to capitalize a Hawai'i Preservation Fund with the National Trust for Historic Preservation, in cooperation with the Historic Hawai'i Foundation.

The uniqueness of Hawai'i comes from its special places, distinct culture and layered history. Like the flora and fauna that exist nowhere else on earth, Hawai'i's historic buildings, landscapes and cultural sites are irreplaceable. There is simply no replacement for Hawai'i's authentic and special places.

It takes many people working together to ensure that the historic places we use and enjoy today will be here for future generations. The fabric of Hawai'i is more than a monumental building here or there. It is the places of everyday experience—neighborhoods, main streets, schools, churches and shops—as well as the places where the great moments of history took place. To ensure that the special places of the Islands are preserved, used and enjoyed, all people need to have access to the tools that make historic preservation possible and affordable.

These are the goals for the Hawai'i Preservation Fund: to provide both technical assistance and increased resources to caretakers and owners of Hawai'i's historic sites, to make preservation accessible and more financially viable. In addition to the State funding, a generous donor has committed a lead gift of \$100,000 to leverage the State's contribution.

Additional benefits from the Hawai'i Preservation Fund include the advantage for heritage tourism, which is traveling to experience the places, artifacts and activities that authentically represent the stories and people of the past and present. Heritage tourists include travelers who incorporate at least one visit to a historic site or landmark among other activities, and also a smaller subset of visitors whose primary reason for traveling is to visit historic places. Economic impacts of heritage tourism go beyond the direct expenditures of tourists. Each dollar spent at a hotel, restaurant or retail shop circulates in the economy as an indirect expenditure for wages, supplies and contracts. Past studies have shown that heritage travelers spend more, stay longer and return more often.

Please support HR3348 to capitalize the Hawai'i Preservation Fund.

Very truly yours,


Samuel A. Cooke

HISTORIC HAWAII FOUNDATION

VIA EMAIL: TACtestimony@Capitol.hawaii.gov

Submit 5 copies

To: Representative Ryan I. Yamane, Chair
Representative Joey Manahan, Vice Chair
Committee on Tourism and Culture

From: Kiersten Faulkner
Executive Director, Historic Hawai'i Foundation

Committee Date: Monday, January 28, 2008
10:00 am
Conference Room 325

Subject: **Support of HB3348, Relating to Historic Preservation**

On behalf of Historic Hawai'i Foundation (HHF), I am writing in support of HB3348. Since 1974, Historic Hawai'i Foundation has been a statewide leader for historic preservation. HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life and economic viability of the state.

Historic Hawai'i Foundation supports HB3348, which would capitalize a Hawai'i Preservation Fund with the National Trust for Historic Preservation (NTHP).

NTHP is a national nonprofit organization chartered by Congress. It currently administers a spend-down preservation fund for projects in Hawai'i. The Hawai'i Preservation Fund, established through a gift from Historic Hawai'i Foundation in 1998, is anticipated to be depleted by the end of 2008, leaving Hawai'i projects to compete for limited unrestricted national dollars.

HB3348 will help to establish an endowment for the Hawai'i Preservation Fund. The State funding will be leveraged by private contributions, including a lead gift of \$100,000 from a generous donor. Creating a perpetual endowment for the Hawai'i Preservation Fund will create a dedicated funding stream for preservation projects in the state, which will then provide a catalyst for preservation activities and leverage additional investment from private sources.

The Hawai'i Preservation Fund will increase the viability of individual preservation projects by providing grants to nonprofit and government organizations to support cultural heritage resource protection efforts in Hawai'i. Grants may be used for planning and assessment, education and interpretation, and stabilization, rehabilitation and restoration of historic sites. These kinds of grants have proven to be an effective way to foster community-based efforts to save important landmarks, to initiate neighborhood or community-wide programs that reinforce sense of place, and to reuse historic buildings for contemporary needs. Helping to strengthen Hawai'i's historic fabric is also a benefit for the growing reliance on heritage tourism and cultural travel.

Therefore, Historic Hawai'i Foundation urges your support for HB3348 to capitalize the Hawai'i Preservation Fund.

Very truly yours,



Kiersten Faulkner



manahan1-Haylee

From: Mary Cooke [marycooke@hawaii.rr.com]
Sent: Sunday, January 27, 2008 7:06 PM
To: TACtestimony
Subject: Support of HR3348

To: Representative Ryan I. Yamane, Chair
Representative Joey Manahan, Vice Chair
Committee on Tourism and Culture

From: Mary M. Cooke
2859 Mānoa Road, Honolulu, HI
996822

Committee Date: Monday, January 28, 2008, 10 am, Conf. Rm 325

Subject: Support of HR 3348
Relating to Historic Preservation

Would you agree with me that:

Tourism is our #1 industry that brings in the most taxes to fund our government?
and that Heritage tourists (who come here to visit historic places) spend more, stay longer and return more often?

If so, then investing money to help set up an endowed Preservation Fund would increase the ability of Historic Hawaii Foundation (HHF) and it's national affiliate, The National Trust for Historic Preservation (NTHP) to award grants for worthwhile projects in Hawaii that attract heritage tourists.

Here are a few of the recent preservation projects that have been funded in the past three years thru HHF and NTHP:

\$6500 to the Japanese Cultural Center of HI for mapping the Honouliuli Internment camp and getting it on the National Register to give it the recognition it deserves \$4000 to Iolani Palace to train a local professional upholsterer to restore furnishings in the Palace, the ONLY palace in the US--which heritage tourists love to visit \$5000 to the Kona Historical Society on the Big Island to help restore their store built in 1875 \$5000 to put on a workshop to educate the ministers of Hawaiian Japanese Temples and their congregations about the importance of placing their temples on the National Register to give national recognition to their importance \$5000 to Lyman House Museum in Hilo to help develop a plan to restore their 1843 annex \$5000 to Kokua Kalihi Valley to document, protect, preserve, and restore some of the outstanding ancient Hawaiian cultural and archeological sites on 100 acres of State Park land The three-year total was \$30,000. Only \$10,000 each year. Think how much more could be accomplished if there was a \$500,000 or even larger endowment for the HI Preservation Fund?

Compare our \$10,000 with Virginia and Illinois who already have funds like we are trying to start for Hawaii. In 2006 VA & IL each funded over \$100,000 in grants. These start-up grants are often critical to getting a project underway; they generate enthusiasm and backing from the community and pave the way for additional financial contributions. The endorsement from the National Trust for Historic Preservation makes it clear that these projects are worthwhile and contribute to the well-being and vitality of the community.

What we're asking you to fund is a drop in the bucket compared to what others are asking for and you'll get a lot of bang for your bucks---helping to preserve the authentic Hawaiian places that attract heritage tourists who will bring more tax dollars into our state. Please vote "YES" on this bill and pass it out today so it stands a better chance of getting passed. Mahalo!