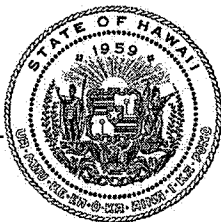


**HB 754, HD1**

**Relating to the Hawaii Tourism Authority**



## 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

LINDA LINGLE  
GOVERNOR  
MARSHA WIENERT  
TOURISM LIAISON

Statement of  
**MARSHA WIENERT**  
Tourism Liaison  
Department of Business, Economic Development & Tourism  
before the  
**SENATE COMMITTEE ON TOURISM**  
Thursday, March 19, 2009  
2:45 p.m.  
State Capitol, Conference Room 229

in consideration of  
**HB 754 HD1**  
**RELATING TO THE HAWAII TOURISM AUTHORITY.**

Chair Nishihara, Vice Chair Galuteria and Members of the Senate Committee on Tourism.

The Department of Business, Economic Development and Tourism (DBEDT) respectfully opposes HB 754 HD1, which removes the directors of DBEDT and transportation (DOT), the chairperson of the BLNR, and executive director of the state foundation on culture and the arts (SFCA) from the Hawai'i Tourism Authority (HTA) board and places them in an advisory group to the HTA.

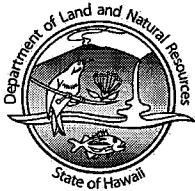
We oppose HB 754 HD1 because we do not believe that there is a reason for changing the composition of the HTA board. We feel strongly that the makeup of the board has been effective and operating in a satisfactory manner for many years and the rationale for changing it is unclear.

We support the findings and recommendations in the State Tourism Strategic Plan (TSP) and agree that the DOT, DLNR, SFCA and DBEDT play an integral role in tourism's success. Participation by these entities on the HTA board ensures policy "buy-in" and that action plans identified will be taken into consideration in their respective agencies' plans and visions.

Therefore, we must strongly oppose HB 754 HD 1 because: 1) we do not believe that there is a justifiable reason to change the makeup of the HTA board of directors; 2) the State TSP identifies the important role that these entities play in tourism's success; and 3) tourism and our economy are facing many challenges and we must foster cooperation and coordination, now more than ever, between all state agencies. Now is not the time to hamper communications and involvement, on the policy level, between HTA and state agencies charged with ensuring the sustainability of tourism within our islands.

We request that HB 754 HD1 be held. Thank you for giving me the opportunity to voice our strong opposition to HB 754 HD1.

LINDA LINGLE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
LAURA H. THIELEN  
Chairperson**

**Before the Senate Committee on  
TOURISM**

**Thursday, March 19, 2009  
2:45 PM  
State Capitol, Conference Room 229**

**In consideration of  
HOUSE BILL 754, HOUSE DRAFT 1  
RELATING TO THE HAWAII TOURISM AUTHORITY**

House Bill 754, House Draft 1 proposes to amend the membership of the Hawaii Tourism Authority (HTA) Board by eliminating the ex officio non-voting membership of the Director of Business, Economic Development, and Tourism, Director of Transportation, Chairperson of the Board of Land and Natural Resources, and Executive Director of the State Foundation on Culture and the Arts, and places them in an advisory group to HTA. The Department of Land and Natural Resources (Department) does not support this measure.

The Legislature included the Chairperson of the Board of Land and Natural Resources on the Hawaii Tourism Authority Board in recognition of the integral relationship between the visitor industry and Hawaii's natural and cultural resources. This provides a regular open line of communication at the policy level between the agencies most directly responsible for managing the visitor industry, and those natural and cultural resources that, in many cases, are what draw visitors to Hawaii. It is imperative to continue this relationship to allow the Department to serve on a decision-making body, rather than in an advisory capacity, to ensure that priority be given to preservation and protection of the natural and cultural resources while allowing for visual and active experiences. The Department notes that one of the goals in the Hawaii Tourism Strategic Plan 2005-2015 is "To respect, enhance and perpetuate Hawaii's natural resources to ensure a high level of satisfaction for residents and visitors." The importance of the State's natural and cultural resources can't be overstated, and to place the Department in an advisory capacity would effectively reduce the importance by removing the Department from the policy body.

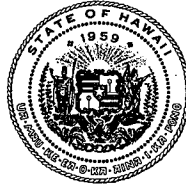
LAURA H. THIELEN  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

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

LINDA LINGLE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA  
DIRECTOR

Deputy Directors  
MICHAEL D. FORMBY  
FRANCIS PAUL KEENO  
BRIAN H. SEKIGUCHI  
JIRO A. SUMADA

IN REPLY REFER TO:

March 19, 2009

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

HOUSE BILL NO. 754, H.D.1,  
RELATING TO THE HAWAII TOURISM AUTHORITY.

COMMITTEE ON TOURISM

The Department of Transportation (DOT) objects to any attempt to eliminate the Director of Transportation (or his designee) from being a member of the board of directors of the Hawaii Tourism Authority (HTA). For this reason, the DOT **strongly opposes** this bill.

From its inception, the board of directors of the HTA included the Director of Transportation as a member. Act 156, SLH 1998. The purpose of including the Director of Transportation as a member of the HTA board of directors was clearly evident. One of the expressed statutory goals of the HTA was to “work to eliminate or reduce barriers to travel in order to provide a positive and competitive business environment, including coordinating with the department of transportation on issues affecting airlines and air route development.” (Emphasis added.) This HTA goal still exists today. HRS Section 201B-3(a)(18). Accordingly, there is no good reason to eliminate the Director of Transportation from the HTA board of directors. In fact, eliminating the Director of Transportation from the HTA board of directors could prove detrimental to HTA’s ability to successfully achieve the necessary level of coordination with the DOT. In light of the role that the DOT plays in our tourism industry, the DOT strongly recommends that H.D.1 be amended to leave the Director of Transportation on the HTA board of directors.

Thank you for the opportunity to testify on this matter.

## **nishihara2 - Bert**

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**From:** Torchiana, Maynard [maynard@drhmaui.com]  
**Sent:** Monday, March 16, 2009 4:21 PM  
**To:** TSM Testimony  
**Subject:** Senate Tourism Committee Hearing Thursday March 19th, 2009 at 2:45 PM

Aloha Honorable Committee

I would like to submit my testimony on the four bills being discussed. Thank you in advance for your indulgence.

I have been in the tourism business for the past 22 years on Maui. I have been chairman of the Maui Visitors Bureau three times over the years. I have been on the Executive Board of HCVB. I have travelled on Asia Missions with two Governors and three Mayors of Maui County. I supported Hawaii in Germany at ITB for 7 years. I Co Founded the Wailea Destination Association, which is now under the direction of the Wailea Community Association of which I am the Vice President of the Board. I attended trade shows and media receptions throughout the United States. I am a Certified Hotel Administrator. I have the largest short term rental property management company within the Wailea/Makena Resorts. I employ 120 people and depend on tourism. I would hope that you would consider me to be knowledgeable about our industry.

When the TAT was proposed as a method of generating sales and marketing revenues for tourism we supported the effort. As island chapters we supported it because we got a defined/fixed percentage of the funding for our county sales and marketing efforts. When HTA was formed we supported that as well. The understanding of how HTA was to function was clear. As we all know that has changed over the years. Now we have a crisis in our State and I am not sure who is at fault, but if we spend time pointing fingers and making changes now it is going to get a lot worse. Hawaii has an image problem and so do the outer islands. Marketing dollars can help to improve that image. HTA has become mired down in the political bureaucracy and it cannot function that way.

I support HB 960 HD2 to allow HTA access to the \$5M in the Tourism Emergency Fund and I beseech you to support it as well. We need to be proactive.

I support HB 1204 HD2 which would give \$10M in additional funding to HTA FY 2009-10. This money will go a long way to increasing visitors to our islands which in turn will provide jobs or better stated allow us to keep the employees we have rather than laying them off. Perhaps you might want to take a look at collecting TAT from all the people that should be paying. If you went on the VRBO web site for example, pulled up the names/addresses listed and the property they are advertising for transient rentals and crossed checked their property tax classification and their TAT reporting you will find discrepancies Statewide. I am convinced that between TAT and property taxes there could be as much as \$10M not collected that could be.

I oppose HB 1763 HD2 because I believe that this is not the time to make such a dramatic change. Sure we may all agree HTA is not perfect in fact it needs to change how it functions. I am convinced that the time it takes to convert over to another way of conducting and managing tourism is the wrong approach to take now.

I oppose HB 754 HD1 for the same reasons I have cited earlier. Changing the HTA Board composition is not the right thing to be doing now. Let's move forward and get Hawaii back as the best and only place in the world to vacation.

Respectfully Submitted

Maynard Torchiana | Executive Vice President/Managing Director  
Destination Resorts Hawaii | 3750 Wailea Alanui Drive #B51 | Wailea, Maui, HI 96753  
P: 808.891.6201 | F: 808.891.4554 | [www.drhmaui.com](http://www.drhmaui.com)

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Doug Sears  
General Manager

Grand Hyatt Kaua'i  
Resort & Spa  
1571 Poipu Road  
Koloa, Kaua'i, HI 96756 USA

Telephone: 808.742.1234  
FAX: 808.240.6591  
E-mail: dsears@hyatt.com



TO: Senator Clarence K. Nishihara, Chair  
The Senate Committee on Tourism

Testimony of Doug Sears, General Manager, Grand Hyatt Kauai Resort & Spa

**HB 960 HD2 – RELATING TO THE HAWAII TOURISM AUTHORITY: I SUPPORT THIS BILL.**  
This measure would broaden the scope of a tourism emergency to include a regional or worldwide economic crisis, which would allow HTA to access the \$5 million in the Tourism Emergency Fund for the challenges we face today.

**HB 1204 HD2 – RELATING TO TOURISM: I SUPPORT THIS BILL.** This measure would allocate an additional amount of funds to the tourism special fund (HTA funding) for FY 2009-10 and 2010-11. This bill started out appropriating \$10 million more each fiscal year however in the HD2 version the amount of funding is blank. We urgently need to invest additional marketing dollars towards jobs and economic recovery.

**HB 1763 HD2 – RELATING TO THE HAWAII TOURISM AUTHORITY: I OPPOSE THIS BILL.** This measure repeals the Hawaii Tourism Authority and establishes a Department of Tourism, transfers the Convention Center Special Fund and the Tourism Special Fund to the newly created Department of Tourism. I believe that the current HTA structure and it's board of directors, especially now, is the correct approach.

**HB 754 HD1 \_\_ RELATING TO THE HAWAII TOURISM AUTHORITY: I OPPOSE THIS BILL.** This measure removes the DBEDT, DOT and DLNR from the HTA Board of Directors. It also removes the State Foundation on Culture and the Arts from the board. All of these positions are non-voting positions on the Board. The State Strategic Tourism Plan identifies DOT, DLNR and the Tourism Liaison as being instrumental in achieving the goals established in the plan and I believe they should continue to be a part of the HTA Board of Directors. I do not believe that there is any justification for changing the make-up of the board.





**HAWAII HOTEL & LODGING  
ASSOCIATION**

2270 Kalakaua Ave., Suite 1506  
Honolulu, HI 96815  
Phone: (808) 923-0407  
Fax: (808) 924-3843  
E-Mail: [hha@hawaiihotels.org](mailto:hha@hawaiihotels.org)  
Website: [www.hawaiihotels.org](http://www.hawaiihotels.org)



31<sup>st</sup> Anniversary  
Are You Walking???  
May 16, 2009  
*(Always the 3<sup>rd</sup> Saturday in May)*  
[www.charitywalkhawaii.org](http://www.charitywalkhawaii.org)

**TESTIMONY OF MURRAY TOWILL  
PRESIDENT  
HAWAII HOTEL & LODGING ASSOCIATION**

**March 19, 2009**

**RE: HB 754 HD 1 Relating to the Hawaii Tourism Authority**

Good afternoon Chairman Nishihara and members of the Senate Committee on Tourism. I am Murray Towill, President of the Hawaii Hotel & Lodging Association.

The Hawaii 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 2,860 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawaii Hotel & Lodging Association supports the intent of HB 754 HD1 Relating to the Hawaii Tourism Authority. This bill would place the government officials currently serving as ex-officio members of the Hawaii Tourism Authority ("HTA") on an advisory committee. We do not find this proposal unreasonable since these officials are currently non-voting members of the HTA. The idea of creating an Advisory Committee would still allow the HTA to coordinate activities with the appropriate state agencies.

This proposal also appears to be consistent with the intent of the original Economic Revitalization Task Force (1998) recommendations of having the HTA comprised of public members with a majority having visitor industry experience.

We believe this is now an appropriate time to also consider adding an additional voting member to the HTA. We believe this person should have visitor industry experience. Originally a majority of 6 of the 10 voting members of the HTA were required to have visitor industry experience. Currently, the HTA consists of 12 voting members while the members with visitor industry experience remains at 6. The increase would allow for the addition of another experienced visitor industry expert to the HTA.

Again, mahalo for this opportunity to testify.