

HB 681

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A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Revenues collected under this chapter shall be
4 distributed as follows, with the excess revenues to be deposited
5 into the general fund:

6 (1) 17.3 per cent of the revenues collected under this
7 chapter shall be deposited into the convention center
8 enterprise special fund established under section
9 201B-8; provided that beginning January 1, 2002, if
10 the amount of the revenue collected under this
11 paragraph exceeds \$33,000,000 in any calendar year,
12 revenues collected in excess of \$33,000,000 shall be
13 deposited into the general fund;

14 (2) 34.2 per cent of the revenues collected under this
15 chapter shall be deposited into the tourism special
16 fund established under section 201B-11 for tourism
17 promotion and visitor industry research; provided that
18 not less than per cent shall be used for



1 tourism product development; and provided that
2 beginning on July 1, 2002, of the first \$1,000,000 in
3 revenues deposited:
4 (A) Ninety per cent shall be deposited into the state
5 parks special fund established in section 184-
6 3.4; and
7 (B) Ten per cent shall be deposited into the special
8 land and development fund established in section
9 171-19 for the Hawaii statewide trail and access
10 program;
11 provided that of the 34.2 per cent, 0.5 per cent shall
12 be transferred to a sub-account in the tourism special
13 fund to provide funding for a safety and security
14 budget, in accordance with the Hawaii tourism
15 strategic plan 2005-2015; provided further that of the
16 revenues remaining in the tourism special fund after
17 revenues have been deposited as provided in this
18 paragraph and except for any sum authorized by the
19 legislature for expenditure from revenues subject to
20 this paragraph, beginning July 1, 2007, funds shall be
21 deposited into the tourism emergency trust fund,
22 established in section 201B-10, in a manner sufficient



1 to maintain a fund balance of \$5,000,000 in the
 2 tourism emergency trust fund; and
 3 (3) 44.8 per cent of the revenues collected under this
 4 chapter shall be transferred as follows: Kauai county
 5 shall receive 14.5 per cent, Hawaii county shall
 6 receive 18.6 per cent, city and county of Honolulu
 7 shall receive 44.1 per cent, and Maui county shall
 8 receive 22.8 per cent.

9 All transient accommodations taxes shall be paid into the
 10 state treasury each month within ten days after collection and
 11 shall be kept by the state director of finance in special
 12 accounts for distribution as provided in this subsection."

13 SECTION 2. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 2009.

15

INTRODUCED BY:

[Handwritten signatures and names over a grid of lines]
 Calvin K. King
 Cindy Evans
 Jessica Hooley
 2005



Report Title:

Hawaii Tourism Authority; TAT Allocation for Product Development

Description:

Requires that not less than % of moneys allocated to the tourism special fund from the transient accommodations tax be used for tourism product development.





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

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Statement of
MARSHA WIENERT
Tourism Liaison
Department of Business, Economic Development & Tourism
before the
HOUSE COMMITTEE ON TOURISM, CULTURE & INTERNATIONAL AFFAIRS
Saturday, February 7, 2009
9:00 a.m.
State Capitol, Conference Room 312

in consideration of
HB 681
RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

Chair Manahan, Vice Chair Tokioka and Members of the House Committee on Tourism, Culture and International Affairs.

The Department of Business, Economic Development and Tourism opposes HB 681, which amends Section 237D-6.5 (b), Hawaii Revised Statutes, by specifying that a percentage of the revenue collected and deposited into the tourism special fund be used for tourism product development.

We support product development and agree that the tourism authority should expend funds for product development as well as other non-marketing initiatives. However, mandating that a percentage of the funds be spent for product development would tie the hands of the authority and its board in developing initiatives and appropriating funds based on priorities that have been established due to market and economic conditions of the time.

Therefore, we humbly request that this bill be held and that you allow the authority's board to operate in the best interest of the people of Hawai'i and the visitor industry.

Thank you for allowing me to comment on HB 681.

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Hawai'i Tourism Authority

Hawai'i Convention Center, 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
Website: www.hawaii-tourismauthority.org

LINDA LINGLE
Governor

LLOYD I. UNEBASAMI
Interim President and
Chief Executive Officer

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

Testimony of
Lloyd Unebasami
Interim President and Chief Executive Officer
Hawai'i Tourism Authority

on

H.B. 681
Relating to the Transient Accommodations Tax

House Committee on Tourism, Culture & International Affairs
Saturday, February 7, 2009
9:00 a.m.
Conference Room 312

The Hawai'i Tourism Authority (HTA) supports the intent of H.B. 681 which requires a percentage of the transient accommodations tax (TAT) to be used for tourism product development.

The Hawai'i Tourism Strategic Plan (TSP), which the HTA, in collaboration with partners in the community, industry and government sectors, developed in 2004, identifies nine initiatives that are needed to ensure a long-term and sustainable visitor industry. They are: Access, Communications & Outreach, Hawaiian Culture, Marketing, Natural Resources, Research & Planning, Safety & Security, Tourism Product Development and Workforce Development.

The TSP provides the overall framework upon which the HTA develops its own agency programs, and the HTA budget reflects its role in each of the nine initiatives. In addition, the organizational structure of the HTA is divided into four major areas: Marketing (including Market Development), Product Development, Communications & Outreach, and Administration.

The Product Development area of HTA is responsible for defining the appropriate role for HTA in the following initiatives: Access (Greetings Program), Hawaiian Culture, Natural Resources, Safety & Security, Tourism Product Development and Workforce Development.

Acknowledging that the HTA does not serve as the lead in several of these non-marketing initiatives and that many aspects of Hawai'i's tourism product fall under the purview of other agencies, organizations or businesses, the HTA focuses on those elements that can be impacted by direct support, advocacy and guidance from the HTA. Partnerships, accountability and the recognition that the HTA is a statewide organization are key aspects of program planning in HTA's Product Development area.

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In the HTA's 2009 budget, approximately 10% is allocated toward these non-marketing, product development related initiatives. This includes but is not limited to the following programs:

- Natural Resources Program which assists in preserving Hawai'i's precious resources through community projects;
- County Product Enrichment Program (CPEP) which supports community-based tourism events and activities on each island, and most of these reflect Hawai'i's multi-ethnic culture;
- Greetings Program which provides Hawaiian entertainment at the airports;
- Visitor Assistance Programs which provides much-needed help to visitors who become victims of crime and other adversities during their stay in Hawai'i;
- Strategic Festivals and Events program which targets major festivals on O'ahu, Kaua'i, Maui and Hawai'i Island; and, importantly,
- Hawaiian Culture Program which supports the major Hawaiian festivals, community-based projects which preserve and protect the culture and the Native Hawaiian Hospitality Association (NaHHA).

The HTA also works with and supports various workforce development projects that aim to provide Hawai'i with a skilled workforce that provides quality service.

HTA's Product Development program exists to address the vision, goal, objectives and strategic directions articulated in the TSP and plays an important and critical role in the state's efforts to ensure a high-quality visitor destination. These efforts are integrated with HTA's other programs particularly in the area of marketing and market development and are aimed at ensuring that we all continue to address the well-being of Hawai'i's tourism product that is consistent with our host culture and community interests.

We fully appreciate and welcome the concern and support of the Legislature in all of our efforts to support product development, however, we believe that this measure should be held. The HTA needs the flexibility to support all nine initiatives in order to respond to market conditions, events happening locally, nationally and internationally, and our stakeholders in Hawai'i.

Thank you for the opportunity to testify on this measure.

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**TESTIMONY ON HOUSE BILL 681
A BILL RELATING TO THE TRANSIENT ACCOMMODATION TAX**

Aloha Chair Manahan, Vice Chair Tokioka and Committee Members for the House Committee on Tourism, Culture and International Affairs,

I am Kainoa Daines, Member of the Hawai'i Tourism Authority's Hawaiian Cultural Advisory Council. **I am providing written testimony in strong support of House Bill 681.**

Hawai'i has sun, sand and surf as do many other equatorial destinations. These other destinations also have excellent venues for weddings, conventions and meetings, golf and great shopping. So why come to Hawai'i when these other places are perhaps more affordable or more easily accessed? The answer is the people, the culture, the aloha.

The beauty of the Hawaiian Islands goes far beyond our sun-drenched beaches or our rainbow adorned waterfalls. It is the people who grew up in Wailuku listening to their grandparents play the 'ukulele; the people who watched their parents pound poi in Waipi'o Valley; the people who helped their Aunties sew flower lei at the Honolulu International Airport. These people are the true resources, infused with the mana of this place that makes Hawai'i the distinctive, special place that we all call home.

The experiences felt here are felt nowhere else in the world. Just as thousands of species evolved and flourished within these islands centuries ago, so has a specific way of life; one of hospitality, unconditional caring for one another, respect and an indigenous culture unparalleled by any on this planet. This way of life is what draws people from around the world to experience. This way of life is the "product" of this place. This way of life is what needs to be protected and most certainly perpetuated.

As a member of the Hawai'i Tourism Authority's Hawaiian Cultural Program Advisory Council I have the privilege of learning more about Hawai'i's "product." Applicants seeking financial assistance run the gamut from a small class on flower lei making needing supplies to international hula competitions drawing thousands to Hawai'i, all equally important to Hawai'i's host culture. These programs are not necessarily specific

to the Hawaiian culture, but still vital to its perpetuation. Without these programs, we become just another 'sand, sun and surf' destination.

Again, please support House Bill 681, designating specific funds from the Transient Accommodation Tax to product development. If we support Tourism, we must support what it is that our Visitors are coming to see, touch, explore, taste, smell and ultimately feel in their hearts.

Mahalo nui,

Kainoa Daines

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STATE OF HAWAII



KING KAMEHAMEHA CELEBRATION COMMISSION

355 NORTH KING STREET, HONOLULU, HAWAII 96817

**TESTIMONY ON HOUSE BILL 681
A BILL RELATING TO THE TRANSIENT ACCOMMODATION TAX**

Aloha Chair Manahan, Vice Chair Tokioka and Committee Members for the House Committee on Tourism, Culture and International Affairs,

I am Kainoa Daines, Commissioner for the King Kamehameha Celebration Commission.

I am providing written testimony in strong support of House Bill 681.

Hawai'i has sun, sand and surf as do many other equatorial destinations. These other destinations also have excellent venues for weddings, conventions and meetings, golf and great shopping. So why come to Hawai'i when these other places are perhaps more affordable or more easily accessed? The answer is the people, the culture, the aloha.

The beauty of the Hawaiian Islands goes far beyond our sun-drenched beaches or our rainbow adorned waterfalls. It is the people who grew up in Wailuku listening to their grandparents play the 'ukulele; the people who watched their parents pound poi in Waipi'o Valley; the people who helped their Aunties sew flower lei at the Honolulu International Airport. These people are the true resources, infused with the mana of this place that makes Hawai'i the distinctive, special place that we all call home.

The experiences felt here are felt nowhere else in the world. Just as thousands of species evolved and flourished within these islands centuries ago, so has a specific way of life; one of hospitality, unconditional caring for one another, respect and an indigenous culture unparalleled by any on this planet. This way of life is what draws people from around the world to experience. This way of life is the "product" of this place. This way of life is what needs to be protected and most certainly perpetuated.

As a Commissioner on the King Kamehameha Celebration Commission, we seek funding to execute the State's annual celebration honoring our great king. A majority of our funding comes from the Hawai'i Tourism Authority's Product Development branch.

Again, please support House Bill 681, designating specific funds from the Transient Accommodation Tax to product development. If we support Tourism, we must support what it is that our Visitors are coming to see, touch, explore, taste, smell and ultimately feel in their hearts.

Mahalo nui,

Kainoa Daines
Commissioner, representing the Royal Order of Kamehameha I
King Kamehameha Celebration Commission

King Kamehameha Celebration Commission

355 North King Street ~ Honolulu, Hawai'i 96817
ph. (808)586-0333 ~ Fax (808)586-0335
email: kkcc@hawaii.gov



Representative Joey Manahan, Chair
Representative James Kunane Tokioka, Vice Chair
Committee on Tourism, Culture and International Affairs

BJ Allen, Arts Program Specialist, III
King Kamehameha Celebration Commission

Saturday, February 7, 2009

Support of HB 681, RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

The King Kamehameha Celebration Commission is an attached agency of the Department of Accounting and General Services. The commission is charged with the responsibility of planning and implementation of a statewide celebration honoring King Kamehameha the Great. We strongly support HB 681, Relating to the Transient Accommodations Tax which would require that not less than % of moneys allocated to the tourism special fund from the transient accommodations tax be used for tourism product development.

In 1996 then Governor Cayetano line item vetoed all allocated funding for the King Kamehameha Celebration Commission. From 1997 to present day, we continually face reductions or eliminations of programs without continued support of volunteers, sponsorship, donations and grants. Through the Hawai'i Tourism Authority Product Development, allocated funds from the tourism special fund used for tourism product development have certainly enhanced other programs in their quest to promote Hawai'i as the premier tourist destination while offering the visitor a unique, traditional experience.

As a multiple recipient of the tourism product development funding, the King Kamehameha Celebration Commission has been able to maintain celebration events without risk of reduction or elimination. The tourism product development funding has assisted the commission in marketing, promotion, distribution and sustainability. With no general fund program allocation since 1997, this transient accommodations tax is extremely important to our program to ensure we not only fulfill our mission to honor King Kamehameha but to perpetuate our unique and diverse culture.

Traditional and Cultural events are a significant part of the visitor's experience, we urge the committee to pass HB 681. Thank you.

000013

William P. Kenoi
Mayor



Diane L. Ley
Interim Deputy Director

County of Hawaii

DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8366 • Fax (808) 935-1205
E-mail: chresdev@co.hawaii.hi.us

February 7, 2009

The Honorable Joey Manahan, Chair
And Committee Members
House Committee on Tourism, Culture & International Affairs
Hawai'i State Capitol, Room 312
415 South Beretania Street
Honolulu, Hawai'i 96813

Re: House Bill 681, Relating to the Transient Accommodations Tax

Dear Chairperson Manahan and Committee Members:

Thank you for the opportunity to provide comments regarding House Bill 681, relating to the Transient Accommodations Tax. The County of Hawai'i Department of Research and Development strongly supports this initiative.

In 2005, the Hawai'i Tourism Authority (HTA) Board of Directors envisioned through its Ke Kumu Strategic Plan, communities sharing their most authentically Hawaiian and "local" events with visitors who would return again and again. The Board knew the only difference between the visitors' Hawaiian experiences versus other destinations rested in the relationship they had not only with the beauty of the islands, but with its culture and its people. If residents felt responsible for visitors, visitors would return because that personal caring defined the Aloha Spirit that would call them back and everyone would benefit. Thus the County Product Enrichment Program was born.

Over the past eight (8) years, the County of Hawai'i has been fortunate to partner with HTA in the delivery of the County Product Enrichment Program and other product development initiatives, assuring that dollars are invested appropriately in Hawai'i Island communities. Though the awards are small (averaging \$10,000 each) they support outstanding events and programs where visitors experience authentic culture and hospitality.

Honorable Joey Manahan, Chair
And Committee Members
Committee on Tourism, Culture & International Affairs
House Bill 681
February 7, 2009
Page 2.

Moreover, each product development initiative is an economic driver for the community where it occurs, providing direct economic opportunities and exposure for our cultural practitioners, musicians, farmers, and neighboring businesses. The financial impact on those communities is enormous, as restaurants bustle, lodging properties fill and retail shops see increased sales.

As we encourage more visitors to visit Hawai'i on repeat visits, we must continue to invest in product development so that visitors do not develop a "been there, done that" mentality. Today, the competition is fierce, and what sets Hawai'i apart from other destinations is its culture. With the targeted investments that HTA's product development programs provide, we will attract new visitors to our islands and continue to welcome back those who have visited before.

We urge this Committee to support House Bill 681.

Mahalo.



Diane Ley
Interim Deputy Director

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Testimony for H.B. 681
February 5, 2009

Brian Kawabe, 800 706 9850
Co-Chair, Oahu Academy of Hospitality and Tourism Board
Hearing: February 7, 2009
9:00 am
Conference Room 312, State Capitol
H.B. 681
5 copies

Re: In Support of the designation of a specific percentage to be dedicated to tourism product development

Representative Joey Manahan, Chair of the House Committee on Tourism, Culture & International Affairs.

My name is Brian Kawabe, the Oahu Co-chair of the Academy of Hospitality and Tourism Board

Designating a specific percentage to product development not only ensures a robust Hawaii product continues to develop but it also provides the key element of product development to continue in the schools which prepares our future workers for the challenges of tomorrow. Without supporting educational development in the hospitality industry the delivery of our products will erode or fail.

Not only is the product important, you must also consider the individuals which must convey and interact with both visitors and Kamaaina's. Educational development and nurturing of our future work force through Academies such as the AOHT is critical as it is people that deliver a product and must be an integral part of the delivery process.

The Academies of Hospitality and Tourism has been a conduit for the development of our future workers through a curriculum that meets Department of Education standards and integrates real life learning and experienced in the state key hospitality industry.

Why are these Academies important and why continue to support them?

1. From a NAF perspective, the academies have shown that students who are in these academies perform better then the general student population and are better prepared for the work place after graduation
2. From Hawaii's perspective, these Academies have provided both a sense of place for many students who could have gone astray and have provided opportunities to either join the work force with stronger skills and or attend post secondary schools. Moving on to post secondary schools would not have been in their thoughts prior to joining the academy programs
3. From a personal perspective, I have had the opportunity to engage many of the Academy students through my years of involvement with this program. The Academy students have shown to be engaged in the learning process and have a unique bonding with their peers which provides them a greater opportunity for a successful future.

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During these difficult times when funding is in question, it is important to continue programs that educate our work force through unique opportunities that join with key industry partners. The Hawaii Tourism Authority and the Hospitality Industry has been, and will hopefully continue to support the AOHT program to ensure that our future work force receives the necessary support to educate the youth of tomorrow.

For the students of the six Academies on Maui, Oahu, and Kauai, their parents and the Board Chairs from all these islands we ask for your continued support of the Academy of Hospitality and Tourism program

Brian Kawabe
Co Chair Oahu Academy of Hospitality and Tourism
Client Manager American Express
Brian.kawabe@aexp.com

Final Comment:

The Here and Now is important, however: Do Not lose sight of tomorrow. Product development-Work force development is the cornerstone of Hawaii's value proposition; Hawaii's differential will continue to be with its people and this is where work force development will be integral to the success of our destination.

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AIRPORT CONCESSIONAIRES COMMITTEE

Honorable Joey Manahan
Chair, Committee on Tourism, Culture and International Affairs
House of Representatives
State of Hawaii

Re: HB 681 – Relating to Transient Accommodations Tax

Chair Joey Manahan and Honorable Committee Members:

Airports Concessionaires Committee is a non-profit organization whose membership consists of the major concessions at Hawaii's public airports.

I, Peter Fithian, am the Chairman of the Committee. The Committee supports this bill and requests that funds be designated to continue the Hospitality Greeting and Training Program (Program) at Hawaii's public airports.

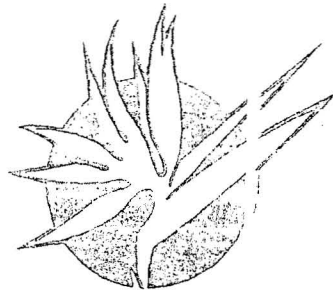
Attached is a portion of our testimony to the Hawaii Tourism Authority which as you know has cut back on funds for this Program.

While the Program is at all of Hawaii's major airports we have been supportive of Hawaii's DOT efforts in administrating the Program in Honolulu, Kona and Hilo. Rather than continuing the funding of this DOT coordinated Program at \$1,000,000 a year as in the past, we believe the Program can be scaled back with funding of \$500,000 a year for the Program at Honolulu, Kona and Hilo airports. As to Kahului and Lihue airport programs we ask that you check with them as to their costs and scaling back of their programs if necessary by 50%. In the recent past their programs have not been administered by the DOT.

We believe the Program of strolling musicians with hula dancers is fundamental for marketing Hawaii and encouraging others to return and/or visit Hawaii. Essentially all of Hawaii's millions of tourists travel through our public airports and thus the airports are a gateway for promoting Hawaii. Training is a very important aspect of the Program since airport employees, TSA, security and others, are trained in the Hawaiian ways of greeting and sharing the warmth of Aloha with the millions of tourists who visit Hawaii each year.

Thank you for allowing us to testify.

000018



AIRPORT CONCESSIONAIRES COMMITTEE

VIA HAND DELIVERY

Hawaii Tourism Authority
1801 Kalakaua Avenue, 1st Floor
Honolulu, HI 96815

December 4, 2008

Re: Hospitality Program at State Airports ("Program")

Ladies and Gentlemen:

Our organization comprises most of the concessions operating at Hawaii's public airports. We support your continued funding of the above Program.

As you well know, over 90% of the millions of tourists visiting Hawaii pass through Hawaii's public airports. Our airports are Hawaii's front door where we meet and also say our fond Aloha to our millions of visitors each year. It is extremely important that our visitors' first and last impressions of Hawaii be both positive and a fond reminder of their stay in Hawaii. It's part of our Aloha Spirit. It is part of what Hawaii is all about. It encourages our visitors to tell their friends and relatives to visit Hawaii and experience all of its wonders and that special Spirit of Aloha. Such marketing by millions of our visitors is priceless! Don't you agree?

We were very pleased and delighted when you instituted your Hospitality Program with Hawaii's Department of Transportation, Airports Division (DOT). You filled an important part of Hawaii's Aloha Spirit that was missing and forgotten. Such a Program is more critical and important since the events of September 11, 2001 now prevent friends and well wishers from greeting and spending time saying their fond Aloha to our visitors at our public airports. This Program significantly helps to fill that void.

We were very disappointed to learn that you decided to eliminate 100% of the funding for this critical Program for the 2009 calendar year. We urge you to reconsider and to provide some funding for the continuation of this important Program.

We obtained and attached to this letter various testimonies in support of the Program. For many visitors who may have had a less than positive experience in Hawaii, we believe the Mahalo and the sharing of the Aloha Spirit by way of the Program has often changed their views and memories of Hawaii. This is just part of the wonders when one shares the Aloha Spirit.

In addition to our visitors the Program has been very successful in training TSA, airport security personnel and other workers in the ways of the Aloha Spirit and how to deal with the millions of visitors and other individuals travelling through Hawaii's airports. The results of such training have been

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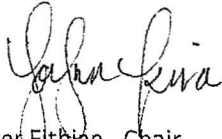
very positive and obviously important. With the constant change over of airport employees, it is critically important that this Program continue with such training. Working at Hawaii's airports with its stringent security measures and time constraints is difficult and thus it is important to periodically remind existing employees and train new employees in the ways of the Aloha Spirit.

Scott Fujii is the President of Hawaii Airports & Tourism Development Association ("HATDA"), a non-profit organization, which works with the DOT in administering the Program. Scott is presently out of town and will be submitting his testimony to you later in support of continued funding for the Program. Rather than seeking full funding of the Program at the level of about \$950,000 a year, I've been informed that HATDA will be requesting funding in the amount of \$250,000. Such amount is about 25% of your total annual funding and we urge you to provide such funds for calendar year 2009. Scott will provide you with more details.

Please continue to support this important Program which not only exemplifies our Aloha Spirit but also encourages our millions of visitors to tell their friends and relatives to visit Hawaii. In our view, this Program plays a critical role in your overall marketing efforts of Hawaii and must not be overlooked.

Thank you for considering this testimony. Please support the Program.

Very truly yours,


Peter Eithian, Chair
Airports Concessionaires Committee

PF:ld

Enclosures as stated

cc: Members of Airports Concessionaires Committee
Hawaii Airports & Tourism Development Association, Attn: Scott Fujii, President

000000

November 5, 2003

My mother-treated my sister and I on an eleven day cruise to your beautiful islands.

We had an eleven hour plane layover at your lovely air port. We got to enjoy your singing and watch your talented & graceful dancers. My mom even got some of your lays (are smelling!) It was really enjoyable and helped the long time go alot faster.

I thank you very much,
Donna Norman
Heide Thomas (sister)
Helga Leuzinger (mom)

000001



"Hungerford, Evi"
[REDACTED]

10/16/2008 11:45 AM

To <wesley.yonamine@hawaii.gov>

cc

bcc

Subject: Airport Ambassadors

We recently vacationed in Hawaii. While we were waiting for the flight home from Honolulu, we had the opportunity to see the Airport Ambassadors. It was delightful and refreshing, not only giving us something to do, but also the dancing and music were excellent.

What a lovely surprise! Thanks for this excellent end to a marvelous vacation!

Evelyn Hungerford
Sun Prairie, Wisconsin

000022



"RICHARD SLAGHT"

10/08/2008 06:59 AM

To: <wesley.yonamine@hawaii.gov>

cc

bcc

Subject: Po'okela

Monday evening, Oct. 5th, I had a night flight leaving Honolulu. I spent time after checking in and going through security walking the airport. While walking through one of the concourses I came upon Po'okela performing for everyone. Enjoyed the entertainment and appreciated having something to do killing time. Even though I am one of those kama'aina living on the mainland coming home a couple times a year for family I enjoyed the music and hula.

I noticed how many tourists stopped and enjoyed the entertainment, taking pictures, having one last bit of Hawaii.

Good idea to fill in otherwise empty time.

Margie Slaght

000000



[REDACTED]
10/06/2008 09:27 PM

To wesley.yonamine@hawaii.gov
cc
bcc
Subject Po'okela

What a wonderful idea to have this hula group of musicians at the airport. Thank you very much. We had a great time enjoying the performance. Please continue to support them. It gives a very nice impression to the ones who are coming and to the ones that are leaving! Thanks a lot. From California
McCain or Obama? Stay updated on coverage of the Presidential race while you browse - [Download Now!](#)

000024



Judy Toenies

10/04/2008 10:11 AM

To wesley.yonamine@hawaii.gov

cc

bcc

Subject Po'okela

We were at the Honolulu airport last night and while there really enjoyed the performance by Po'okela. The performers voices, the music and dancers were a welcome change from the often blaring music in airports.

We hope you continue have them perform so others can enjoy the Hawaiian music and entertainment.

000025



"PBSI" [REDACTED]

10/04/2008 06:35 AM

To <wesley.yonamine@hawaii.gov>

cc

bcc

Subject: Airport entertainment

Dear Wesley,

Just a short note to thank you for the show at the airport. On this trip, we brought my mother-in-law who is confined to a wheel chair. Her most memorable part of the trip was your performance. In fact, this morning she asked about the photo of your group. Next week she's taking it with her back to Virginia. The same was true with my mother on her visit.

I hope you are able to continue and expand your program. Such a performance creates a lasting image of Hawaii.

Thanks again and Mahalo!

J Jones

P.S. I am going to forward a few of my calendars to the Rodgers Blvd. address.

PBSI

[REDACTED]
Huntington Beach, CA 92646
[REDACTED]
[REDACTED]

000026



"J. Thomas Uhler"

[Redacted]

10/03/2008 10:54 AM

To <wesley.yonamine@hawaii.gov>

cc

bcc

Subject Airport Entertainment

Got to the Honolulu airport early for our flight on Monday and was pleasantly surprised by the live entertainment. The music was extremely enjoyable, the dancing excellent. The troupe also volunteered to do pictures with anyone and patiently answered questions.

After a delightful two weeks on the Islands, this was an unexpected treat and sendoff.

Mahalo!

J. Thomas Uhler

Uhler and Vertich Financial Planners, LLC

Registered Investment Advisor

[Redacted]

Fort Myers, FL 33919-1068

[Redacted]

[Redacted]

[Redacted]

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000027



Sheri Adams

[Redacted email address]

om>

10/02/2008 12:19 PM

To: wesley.yonamine@hawaii.gov

cc

bcc

Subject: music in the airport

To whom it may concern,

Last week I was flying home on Delta from Honolulu. I was amazed at the pleasant difference the live music for the flight. I thoroughly enjoyed the use of the e-mail kiosks and especially am thankful for the air conditioning about their travelers and tourists right up to the time of departure. I am so impressed!

Please pass on the word of thanks to all who were instrumental in making this nice change happen at the airport.

Sincerely,

Sheri Adams Idaho

000028



"joplin500@juno.com"

09/29/2008 05:39 PM

To wesley.yonamine@hawaii.gov

cc

bcc

Subject Koko Ali'i Music

Dear Airport Ambassadors,

I recently had the good fortune to witness Po'Oke la - Koka Ali'i Music with Casey Olsen and Dennis Keohokalole at the airport before my departure. These musicians and dancers are superlative!

They were my only chance to see traditional dance and music during my visit. I simply wanted to thank you for providing this wonderful service to the visitors of your airport.

A Sincere Mahalo,

Jason Joplin

000029

BLIND VENDORS OHANA, INC.

300 Rodgers Blvd. #56
Honolulu, HI 96819

Phone (808) 861-1300
Fax (808) 861-1308

Honorable Joey Manahan
Chair, Committee on Tourism, Culture and International Affairs
House of Representatives
State of Hawaii

Hearing: February 7, 2009

Re: HB 681 – Relating to Transient Accommodations Tax

Chair Joey Manahan and Honorable Committee Members:

My name is Jim Kahue. I am the Human Resources Manager for the Blind Vendors Ohana, Inc. We are the concessionaire that has operated the newsstand stores and vending machine operations at the Honolulu International Airport (HIA) since June 1, 1994.

We offer this testimony in support of the testimony submitted by the Airports Concessionaires Committee and value the greeters and training program because it promotes our island culture and the 'Aloha Spirit' for our incoming/outbound travelers and helps the many airport businesses who serve them. Airport travelers and workers truly are better served by having such a unique and effective program of welcoming and thanking our visitors and travelers.

We support this bill as long as it in part provides funding for greeters and training at our public airports.

We believe that greeting travelers with island songs and hulas at our public airports are vital for promoting tourism, sharing our Aloha spirit and encouraging our millions of visitors to return to Hawaii and tell their family and friends about their island experiences. This is basic and what makes Hawaii unique and special especially in these difficult economic times.

In addition the program provides important training to our airport businesses and their employees who come into daily contact with the millions of tourists who travel through Hawaii's airports each year. It's important they be trained in the Hawaiian ways of greeting and assisting our visitors at our public airports.

Please ensure continued funding for this important program and that it is not eliminated from our airports.

Mahalo nui loa for allowing us the opportunity to offer our testimony.



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**Hawai'i
Arts
Alliance**



*A member of
the Kennedy Center
Alliance
for Arts Education
Network*

February 5, 2009

Rep. Joey Manahan, Chair
Rep. James Kunane Tokioka, Vice Chair

Dear Chair Manahan and members of the Committee on Tourism, Culture, & International Affairs,

We are writing to encourage the Committee on Tourism, Culture, & International Affairs to vote to establish a state income-tax check-off for the State Foundation on Culture and the Arts.

This provision empowers tax-payers to support culture and the arts statewide, and is not only a potential revenue source for the arts and culture community, but also underscores the value of arts and culture as an important economic sector in this State.

We are fully in favor of creating new ways to assist the arts and culture community to promote and sustain itself in these challenging economic times. The assistance is of critical importance to the arts and culture community, which is particularly vulnerable.

Any small investment is assured to make a BIG impact and allow artists, arts groups, and cultural practitioners to continue to provide arts in the classroom, stimulate the economy, and perpetuate artistic and cultural traditions for which Hawai'i positions much of its uniqueness to the rest of the world.

Mahalo,

Marilyn Cristofori
Chief Executive Officer
Hawai'i Arts Alliance

Marla Musick
Communications Director,
State Captain, Arts Advocacy, Americans for the Arts
Hawai'i Arts Alliance

*Visit our
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Project:
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www.artsatmarks.com*

P.O. Box 3948
Honolulu, Hawai'i
96812-3948
Phone: (808) 533.2787
Fax: (808) 526.9040
arts@hawaiiartsalliance.org
www.hawaiiartsalliance.org

000031

February 5, 2009

Honorable Joey Manahan
Chair, House Committee on Tourism,
Culture and International Affairs
Hawai'i State Legislature

Via Email: TCItestimony@capitol.hawaii.gov

Dear Representative Manahan:

I am writing to express my strong support for continuing to adequately fund the New Product Development division of the Hawai'i Tourism Authority. Our unique heritage is what distinguishes Hawai'i from other tropical destinations. The division's investment in programs that help visitors access and experience Hawai'i's special cultural heritage are essential for the long-term health of Hawai'i's visitor industry.

For example, a grant from the New Product Development division led directly to the recent introduction of legislation in Congress to designate the Hawai'i Capital National Heritage Area in Honolulu. This designation will bring together the many cultural treasures of Kaka'ako, Downtown, Nu'uano and Kapalama into a cohesive district where kama'aina and visitors alike can experience our heritage. The grant, made under the New Product Development division's Heritage Corridors Program, supported the Hawai'i Capital Cultural Coalition's National Heritage Area Feasibility Study which served as the application for designation.

National Heritage Areas generate culture and heritage tourism by creating national and international visibility for an area's cultural assets, providing National Park Service branding and marketing, and opening the doors to funding for planning, design, interpretive centers, and other amenities that will improve the visitor experience.

The Hawai'i Capital Cultural Coalition (HCCC) is a nonprofit partnership of 25 Honolulu arts and cultural organizations and more than 40 businesses, public agencies, and service organizations who are working together to leverage the rich concentration of historic, cultural, and economic assets located in Honolulu's historic core to create one of the great cultural destinations of the world, attracting both visitors and residents, contributing to the area's economic vitality, and enhancing our quality of life.

Respectfully submitted,



Lorraine Lunow-Luke
HCCC Coordinator



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Lorraine Lunow-Luke
Coordinator

1001 Bishop Street

ASB Tower, Suite 2800

Honolulu, Hawai'i 96813

P 808.927.1370

F 808.550.4403

coordinator@hawaii.capitalkulture.org

www.hawaiicapitalkulture.org

000032

Testimony in Support of HB 681, Relating to the Transient Accommodations Tax

Representative Joey Manahan, Chair
James Kunane Tokioka, Vice Chair

Chair Manahan and Vice Chair Tokioka,

Thank you for the opportunity to testify before this committee. My name is Annette Kaohelaulii and I am the President of the Hawaii Ecotourism Association. I represent the ecotourism sector on the Hawaii Tourism Authority's Natural Resources Advisory Group. Our task is to advise the Hawaii Tourism Authority on funding of requests for proposals for tourism products that can have an impact on Hawaii's natural resources.

I am writing in support of House Bill 681, Relating to the Transient Accommodations Tax. As a member of the Natural Resources Advisory Group or NRAG, I would like to see more of the money allocated to the tourism special fund from the transient accommodations tax go toward tourism product development. For the current budget year 2008-2009 the HTA board budgeted \$5 million for natural resources and product development. Of that, \$1 million was designated by proviso to go to State Parks and Trails. Another \$1 million was allocated to product development through Requests for Proposals. The NRAG was advised early on that projections for 2008 and 2009 visitor numbers were declining, so we only actually budgeted \$3 million. I suspect that the remainder went to marketing efforts.

Whenever I saw a member of the authority I always thanked them for the monies they budgeted for natural resources product development, but added that in addition to the terrestrial resources, the ocean resources were being heavily impacted by visitors and it would be nice to have another \$1 million for products that would protect those resources.

It is my personal opinion that during these perilous economic times there is not much point in doing additional marketing because potential visitors either don't have the money to travel, or are being very careful on how they spend their money. I think it would make more sense to spend another \$1 or \$2 million on improving product now, so that when the economy begins to recover in the next few years visitors will want to return to Hawaii to see the new offerings.

I agree with the amendment presented in this bill that a percentage of the monies deposited into the tourism special fund for tourism promotion and visitor industry research should be used for tourism product development.

000033



**HAWAII HOTEL & LODGING
ASSOCIATION**

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



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**TESTIMONY OF MURRAY TOWILL
PRESIDENT
HAWAII HOTEL & LODGING ASSOCIATION
February 7, 2009
RE: HB 681 Relating to the Transient Accommodations Tax**

Good morning Chair Manahan and members of the House Committee on Tourism, Culture & International Affairs. 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 2,523 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

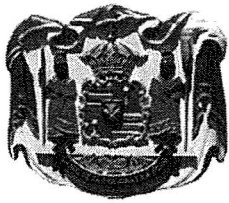
The Hawaii Hotel & Lodging Association does not support HB 681. We strongly believe that the Hawaii Tourism Authority ("HTA") needs to support both product development and marketing activities. Both the quality of our product and effective marketing are essential to the success of Hawaii as a destination.

We do not support this bill because it would mandate that a certain percentage of HTA's funds go to product development. We believe the allocation of funds to various activities should vary and should be determined by circumstances. The economic crisis we are currently encountering is a good example of this need for flexibility. Currently HTA is confronted with falling revenue and needs to bolster its marketing activities to stimulate travel to Hawaii.

A restriction like the one proposed here could adversely impact the HTA's ability to respond.

We urge you to hold this bill. Mahalo again for this opportunity to testify.

000034



Hawai'i Maoli

P.O. Box 1135, Honolulu, Hawai'i 96807

Phone: (808) 394-0050 Fax (808) 394-0057

February 5, 2009

Hawai'i Maoli
Board of Directors

Aloha e Rep. Manahan:

Henry Halonani Gomes
President

I am writing in support of House Bill No. 681 that specifies a set percentage of the Transient Accommodations Tax (TAT) to be used for tourism product development.

Ramsay Tamm
Vice President

Hawai'i Maoli acts as the fiscal sponsor for the Association of Hawaiian Civic Club's annual Prince Kuhio Celebration. It is with the support of the Hawaii Tourism Authority's (HTA's) funding, from the tourism product development fund, that we are able to provide a number of cultural events free to the public. Our events range from an all-day Native Hawaiian Health Festival, to the Pualeilani Festival of the Arts (hula, songs and crafts at the Royal Hawaiian Center), to the Prince Kuhio Parade through Waikiki followed by the free Moonlight Concert featuring well-known local entertainers. These events are open to the public and marketed in visitor publications to encourage visitors to experience the local culture, free of charge. Most of the events are volunteer driven, and we make sure we leverage the funds received to provide the most impact for the dollar.

Jalna Keala
Secretary

Daniel Naho'opi'i
Treasurer

Mohelani Cypher
Director

Visitors seek out activities that provide cultural experiences, especially those that are free. You can spend a great deal of the HTA budget on advertising to get people to come to Hawai'i, yet it is these local cultural activities that will have them returning to the islands again and again. We want to ensure that a portion of the HTA budgeted funds are set aside to promote local cultural activities.

H.K. Brass Keppeler
Director

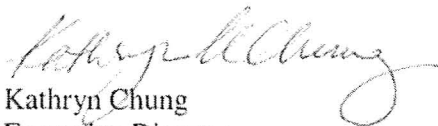
Antoinette Lee
Director

We ask all legislators to vote in support of House Bill No. 861.

Verlie-Ann Malina-Wright
Director

Mahalo for your consideration,

Wm. Kekoa McClellan
Director


Kathryn Chung
Executive Director



Honorable Joey Manahan
Chair, Committee on Tourism, Culture and International Affairs
House of Representatives
State of Hawaii

Hearing: February 7, 2009

Re: HB 681 – Relating to Transient Accommodations Tax

Chair Joey Manahan and Honorable Committee Members:

My name is Alan Yamamoto and I am the District General Manager for the Hawaiian Islands with HMSHost.

We are in support of the testimony submitted by the Airports Concessionaires Committee. We support this bill as long as it in part provides funding for greeters and training at our public airports.

Song and dance at our public airports are vital for promoting tourism, sharing our Aloha spirit and encouraging our millions of visitors to return to Hawaii and tell their family and friends about Hawaii. This is basic and what Hawaii is all about.

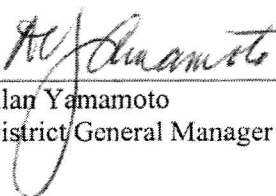
In addition, the program provides important training to our airport employees who come into daily contact with the millions of tourists who travel through Hawaii's airports each year. It's important they be trained in the Hawaiian ways of greeting and assisting our visitors at our public airports.

Please ensure continued funding for the program to ensure that it is not eliminated from our airports.

Thank you for allowing us to testify.

HMSHost Corporation
Hawaiian Islands

By


Alan Yamamoto
District General Manager

Dear Members of the Committee on Tourism, Culture, and International Affairs:

The Holualoa Foundation for Arts and Culture has been a recipient of a grant through the Hawaii County Research and Development HTA fund. This project enabled us to describe our art education activities at the Donkey Mill Art Center in this rural community. Visitors have the opportunity to plan their activities before arriving here by viewing our website or by reviewing printed material mailed to members who live out of state. Once in Kona our schedule of classes, "Workspheres" are made available to them by business establishments in West Hawaii. Between July 1, 2008 and December 31, 2009 we served visitors in our weekend workshops, on-going classes and special events such as our Fall Arts Festival.

Informal conversations with visitors indicate that these visitors are seeking activities that enrich their lives and some told us of specific plans to return for more of these activities.

HTA grant funds not only bring visitors but indirectly help our organization to remain fiscally sound.

Thank you.

Tomoe Nimori,

Volunteer Executive Secretary

Holualoa Foundation for Arts and Culture

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KINTETSU INTERNATIONAL HAWAII COMPANY

A division of Kintetsu International Express(U.S.A), Inc.

February 6, 2009

To the Committee on Tourism, Culture,
& International Affairs

I am writing to submit testimony on behalf of Kinki Nippon Tourist Company (KNT) in Japan and Kintetsu International Express (USA) Inc. regarding House Bill 681. KNT sold Hawaii tours to more than 150,000 Japanese Nationals in 2007, and, 2 million worldwide.

The Hawaii Tourism Authority's Major Festival Program supports the Pan-Pacific Festival (PPF), an annual Hawaii festival promoting international friendship and goodwill. Kinki Nippon Tourist Company promotes travel to Hawaii in Japan to attend the festival.

The PPF is unique in KNT's Tours; it opens the door to a new travel market, cultural performers. From 2001 thru 2008 the Festival accommodated over 24,000 tour travelers from abroad and nearly 16,000 local participants at its events. Audience attendance is estimated at 450,000 people.

KNT views the Hawaii Tourism Authority as a business partner and urges the preservation of HTA funding to support tourism product development programs. We support HB681.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eric Ishizuka', written over a printed name.

Eric Ishizuka

Director, Pan-Pacific Festival
Manager of ECC/Marketing Research Department,
Kintetsu International Hawaii Company

KONA COFFEE Cultural Festival



Hawaii's Oldest Food Festival

38th Annual
Kona Coffee Cultural Festival

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HONORARY
LIFETIME MEMBER
JULIE HONDA

February 5, 2009

Representative Joey Manahan
Chair, Committee on Tourism, Culture & International Affairs

Re: House Bill 681
Relating to the Transient Accommodations Tax

Dear Representative Manahan,

As a partner with Hawaii Tourism Authority the Kona Coffee Cultural Festival is a recipient of funding as a Major Festival.

The Kona Coffee Cultural Festival promotes agri tourism annually during the November shoulder season with the intention that visitors and residents discover and experience Kona coffee and the unique history, heritage and lifestyle. With nearly 50 events ranging from farm tours, coffee workshops to picking contests, visitors and residents have every opportunity to participate.

The Kona Coffee Cultural Festival mission is to expand promotion, perpetuate the unique history and culture and its crucial role it plays for tourism and industry product promotion as the only coffee festival in the United States.

A team of dedicated and committed volunteers, many of who are multi-generational Kona coffee farmers, manage the Festival. Several key board and committee members have been part of the organization for over 25 - 30 years-giving their time and skills as needed to ensure the success of each annual Festival. Norman Sakata has been at the helm of the Festival for the past 15 years. Under his direction, the Festival has been honored with numerous awards and achievements from organizations such as Hawaii Visitors & Convention Bureau, Kona-Kohala Chamber of Commerce, Festivals.com, Public Relations Society of America (Hawaii Chapter), Food & Wine Online, Gourmet Fare Magazine and the International Association of Business Communicators (Hawaii Chapter).

With HTA funding, the Festival has succeeded at enhancing and refining the scope to include nearly 50 special events held over 10 days. Community participate, attendance and media coverage has grown significantly. Highlights of editorial coverage include feature print coverage in Bon Appetit, Sunset, The New York Times, Conde Nast Traveler, ISLANDS Magazine, USA Today, The Washington Times, San Jose Mercury News, San Francisco Chronicle, Los

(continued)

Angeles Daily News and Readers Digest. The Festival has also been broadcast to a huge audience including viewers of the Food Network, PBS, Japan's Travelers TV, Seattle's Best of Taste, The Travel Channel and programming in Germany, Korea and Canada.

In closing, The Kona Coffee Cultural Festival has maintained a successful presence for 39 years. The committed group of volunteers continues the legacy of Kona Coffee through the Festival. The Festival is fortunate to have broad community support and sponsorship from a wide variety of local, national and international sources – large and small. The Festival seeks out, and depends upon, grants and corporate sponsorships for its funding.

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My name is Barry Rivers. I am the Founder and Director of the Maui Film Festival.

This coming June, from the 17th through 21st, the Maui Film Festival at Wailea will be celebrating our 10th annual festival.

Since its inception in 2000, the Maui Film Festival at Wailea has been fortunate to be designated one of the state's Major Festivals by the Hawaii Tourism Authority which makes us the only Major Festival on Maui and an event which, without the financial support us through the hard working Product Development 'ohana at HTA, would not have survived.

As we are all aware, Hawaii, the nation and the world are enduring an ongoing, and sometimes seemingly without end, financial high-surf advisory. It has often described as the most challenging in four generations. Companies large and small, in every industry, are struggling with ways to keep their businesses alive until they come out the other end of the barrel.

Some things being tried work. And many others do not.

Thankfully, all of us who call Hawaii home can take pride in the fact that HTA's support of the Major Festivals in the state is something that has worked especially well for nearly a decade.

Major Festivals have generated millions of once-in-a-lifetime experiences and memories for the people who have experienced them. And it these very lifelong memories that, at the end of the day, provide the word-of-mouth about what is special about Hawaii in ways that any number of millions of dollars spent on marketing plans and traditional advertising don't.

The budget cuts, which thankfully were not as severe as those made to other tourism development programs—that were made in the current fiscal year to diminish HTA's support of the state's Major Festivals—were cuts that significantly impacted one of the major reasons people to get on a plane and fly for between five and fifteen or more hours to come to one Hawaii—the special things there are to do here that are unique to here.

Instead, money was redirected to support a supplemental \$4,500,000 advertising campaign that according to a recent Pacific Business News follow up story did virtually nothing to generate additional visitors to Hawaii. It simply accomplished letting people know that there were some bargains to be had which—no need to stop the presses on this one—was well known to anyone who can read a paper or watch a television program was something happening around the world anyway.

What would have happened if the HVCB had instead offered \$200 to each adult (18 or 21 and over) arrived in the state on an airplane or cruise ship, rented a hotel room or turned in receipts at the airport upon their departure for any economic activity—from snorkeling to dining at a restaurant to whatever struck their fancy—who arrived in the state between the first and last day of the ad campaign?

I think I can tell you what would have happened. The \$200 per person suggested above would have meant that as many as 22,550 people could have taken advantage of the idea floated above.

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Based on the state of Hawaii's projected average expenditure per visitor, generated \$33,750,000 in economic activity—before the multipliers kick in— would have been generated from such a plan. Not a bad return (750%!) on an investment of \$4,500,000. An email blast to the worldwide travel and business press could have spread the word for nearly \$0.00!

Nations like Australia, among others, already have similar efforts in place. And they work!

For all these reasons and more (as noted starting two paragraphs below), I am writing to express my support for including language in House Bill 681 that "Requires that not less than % of moneys allocated to the tourism special fund from the transient accommodations tax be used for tourism product development."

In closing, I want to reiterate that I know that, in addition to all the memories that the Maui Film Festival creates each year that send out huge waves of good vibes (never underestimate the power of good vibes) and word-or-mouth-worthy memories.

The Major Festivals area of the HTA's Product Development efforts, speaking now about the event I know best—the Maui Film Festival—also works to generate meaningful public relations (i.e. quantifiably valuable) benefits as well as direct and indirect economic activity and benefits to the County of Maui and, in turn, the State of Hawaii.

In fact, the value of this year's coverage reached \$17,164,629, a virtually stratospheric 114:1 ROI (return on investment) from media impressions alone on the \$150,000 in support provided to the Maui Film Festival by the Hawaii Tourism Authority.

It is also worth noting that, as best we can calculate it, Since the MFFW filed its first HTA Final Report in 2002, more than two-and-a-half-billion (2,660,951,098!) media impressions, with a combined value of just shy of \$80,394,450 for an average of \$11,484,921 in media impressions value, has been generated.

All of these benefits in addition to the many tens of millions of dollars in sales generated from both direct and indirect visitor spending (as also noted in each year's report).

For all these reasons and more, I urge all voting members in the State House to approve the inclusion of the language noted a few paragraphs above to help insure that this—"it ain't broke, please don't fix it"—piece of the overall HTA strategy continues to not only survive but to thrive.

Aloha,
Barry Rivers

000043

To: COMMITTEE ON TOURISM, CULTURE & INTERNATIONAL AFFAIRS

Representative Joey Manahan, Chair
Representative James Kunane Tokioka, Vice Chair

Date: Saturday, February 7; 9:00 AM

Location: Conference Room 312

Subject: TESTIMONY IN STRONG SUPPORT OF HB 681

Submitted by: Alexander Alika Jamile, President, Moanalua Gardens Foundation

Aloha Chair Manahan, Vice Chair Tokioka and committee members. My name is Alexander Alika Jamile, Executive Director and President of Moanalua Gardens Foundation (MGF). I submit my testimony in **strong** support of HB 681, RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

For 31 years, Moanalua Gardens Foundation (MGF) has presented the annual Prince Lot Hula Festival, the state's largest non-competitive hula festival, at one of the state's most important cultural sites, Moanalua Gardens. Held the third Saturday in July, the festival is one of O'ahu's premier cultural events attracting upwards of 8,000 visitors and residents to a spectacular outdoor setting where hula hālau perform on an authentic pa hula (hula mound).

Research shows that visitors to Hawai'i are seeking ways to interact with residents and to learn more about the history, traditions, language and culture of Hawai'i. Events like the Prince Lot Hula Festival provide the kind of authentic cultural experiences which draw additional visitors to Hawai'i resulting in increased expenditures and visitor stays.

Without support from the Hawai'i Tourism Authority (HTA), the Prince Lot Hula Festival, and many of Hawai'i's other signature cultural events, would be crippled.

Now more than ever before, Product Development funds are needed to support Hawai'i's signature cultural events which differentiate Hawai'i from other visitor destinations. It would be extremely short-sighted to cut funding in this critical area when tourism numbers are dropping daily causing layoffs and losses throughout Hawai'i's economy.

Additionally, cultural events like the Prince Lot Hula Festival help leverage tourism marketing dollars. In 2008, the Prince Lot Hula Festival generated more than 4 million media impressions worldwide conservatively valued between \$75,000 -

000044

\$100,000. The festival contributed an estimated \$1.7 million dollars in increased visitor expenditures.

Furthermore, the festival and other events, support Hawai'i small businesses and artisans by providing them with a venue to sell their products and merchandise. Local companies are used to provide transportation, tents, chairs, equipment, security, t-shirts, buttons, programs, food and beverage.

All of these benefits keep tourism dollars circulating maximizing economic benefits exponentially.

We urge you to restore funding to HTA's Product Development budget by supporting HB 681.

Mahalo nui loa,

Alexander Alike Jamile
Executive Director and President, Moanalua Gardens Foundation

000045



**Testimony in Support
of
House Bill 681**

TO: Committee on Tourism,
Culture & International Affairs
Saturday, February 7
9:00am
Conference Room 312
State Capitol
415 South Beretania Street

FROM: Lulani Arquette, Executive Director
Native Hawaiian Hospitality Association

RE: Testimony in Support of House Bill 681

Dear Chairman Manahan and Committee Members:

We strongly support the intent of House Bill 681 which requires that a specific percentage of moneys allocated to the tourism special fund from the transient accommodations tax be used for tourism product development. The Hawaii Tourism Authority's Product Development arm supports, develops, and enhances the product through many key initiatives in the State Tourism Strategic Plan (TSP). **We would further recommend that a specific percentage of moneys allocated to Product Development be used for the Hawaiian Culture Initiative and defined in House Bill 681.**

The Native Hawaiian Hospitality Association (NAHHA) is the lead organization for the Hawaiian Culture Initiative (HCI), one of the initiatives funded through product development in the TSP. We promote and perpetuate Hawaiian culture, tradition, and values in tourism. Our work as the lead organization for the HCI is to help ensure success of the HCI Action Plan. We also focus on creating opportunities for Hawaiians in tourism and bridging the gap between the community and the industry.

As our mission and role focuses on Hawaiian culture, we will speak to this aspect of product development. There is great concern that all of the progress made in the past few years to restore Hawaiian culture and values in the visitor industry and engage Hawaiians in tourism is at risk due to the economic challenges facing the state. We believe that Hawaiian culture is at the core of Hawaii's uniqueness. Investments in Hawaiian cultural program are investments in the Hawai'i product. When the economy improves, and it will, if there have been funds diverted from product development, and especially Hawaiian culture programs, then Hawai'i will lose its special appeal and begin looking like any other tropical destination.

Under these extreme economic times, let us not lose our sense of balance or our inherent "wayfinding" skills to navigate through this early phase of what could be a lengthy storm. Let us keep our eye on the horizon and "stay the course" by putting measures in place such as HB 681 to safeguard Hawaii's many unique programs and experiences for future visitors, and ensure the community benefits from tourism.

We strongly urge you to support HB 681 and consider adding language to ensure the future of the Hawaiian Culture Initiative. Mahalo for this opportunity to testify.



**TESTIMONY ON HOUSE BILL 681
A BILL RELATING TO THE TRANSIENT ACCOMMODATION TAX**

Aloha Chair Manahan, Vice Chair Tokioka and Committee Members for the House Committee on Tourism, Culture and International Affairs,

I am Kainoa Daines, Board Member for the Native Hawaiian Hospitality Association.

I am providing written testimony in strong support of House Bill 681.

Hawai'i has sun, sand and surf as do many other equatorial destinations. These other destinations also have excellent venues for weddings, conventions and meetings, golf and great shopping. So why come to Hawai'i when these other places are perhaps more affordable or more easily accessed? The answer is the people, the culture, the aloha.

The beauty of the Hawaiian Islands goes far beyond our sun-drenched beaches or our rainbow adorned waterfalls. It is the people who grew up in Wailuku listening to their grandparents play the 'ukulele; the people who watched their parents pound poi in Waipi'o Valley; the people who helped their Aunties sew flower lei at the Honolulu International Airport. These people are the true resources, infused with the mana of this place that makes Hawai'i the distinctive, special place that we all call home.

The experiences felt here are felt nowhere else in the world. Just as thousands of species evolved and flourished within these islands centuries ago, so has a specific way of life; one of hospitality, unconditional caring for one another, respect and an indigenous culture unparalleled by any on this planet. This way of life is what draws people from around the world to experience. This way of life is the "product" of this place. This way of life is what needs to be protected and most certainly perpetuated.

The Native Hawaiian Hospitality Association (NaHHA) is the lead agency for perpetuating the Hawaiian culture as mapped out in the State's Tourism Strategic Plan. A majority of NaHHA's funding comes from the Hawai'i Tourism Authority's Product Development branch.

Again, please support House Bill 681, designating specific funds from the Transient Accommodation Tax to product development. If we support Tourism, we must support what it is that our Visitors are coming to see, touch, explore, taste, smell and ultimately feel in their hearts.

Mahalo nui,

Kainoa Daines
Board Member
Native Hawaiian Hospitality Association



Nishihama & Kishida, CPA's, Inc.
 certified public accountants

american savings bank tower
 1001 bishop street, suite 1700
 honolulu, hawaii 96813-3696
 telephone (808) 524-2255
 fax (808) 523-2090

Via E-Mail: TCItestimony@capitol.hawaii.gov

Representative Joey Manahan, Chair
 House Committee on Tourism, Culture & International Affairs
 House of Representatives
 Twenty-Fifth Legislature, 2009
 State of Hawaii

February 5, 2009

Re: House Bill No. 681 Relating to the Transient Accommodations Tax

Dear Representative Manahan:

Our company asks for your support and enactment of House Bill No. 681. We have been delivering Hospitality Training for airport employees, sponsored by the Visitor Information Program and funded by the Hawaii Tourism Authority.

The Hospitality Training Program has been very uplifting in sharing the Spirit of Aloha at our public airports. The response by visitors viewing the Program has been nothing but positive and a sharing of our unique Spirit of Aloha.

As the company delivering the training over the past year, I have personally observed positive changes by TSA employees, security personnel and others in dealing with the millions of tourists passing through our airports. Many of the employees we've trained have commented on how much they appreciate the opportunity to improve their customer service skills.

Hospitality training is part of a "visitor retention strategy." Marketing dollars increase arrivals, Hawaiian hospitality keeps visitors coming back, telling others to come to Hawaii and keeps visitors here longer.

We've trained well over 1,200 employees either directly through classroom participation or through train-the-trainer programs. By the end of December, a majority of the employees in TSA, Securitas and VIP experienced the first phase of training. The second phase, assuming funding is available is scheduled to begin early in 2009. This phase will include coaching for employees and coaching training for supervisors to ensure the transfer of skills to the job and talking the training to all the neighbor islands. This piece is essential for long term program success. In addition, we'll be integrating the training into the orientation programs of the various companies to ensure newly hired employees receive the same message. This phase will ensure the creation and continuation of a consistent customer service culture at our airports!

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Nishihama & Kishida, CPA's, Inc.
certified public accountants

american savings bank tower
1001 bishop street, suite 1700
honolulu, hawaii 96813-3696
telephone (808) 524-2255
fax (808) 523-2090

Following the training sessions provided by the Program, many have experienced and commented on the friendlier and more gentle ways employees now interact with our visitors and local residents with the Spirit of Aloha. It is very important that these training programs continue.

We urge you to continue to support this Program through the passage of HB No.681. It is an important part of our Aloha Spirit and the marketing of Hawaii. We support the efforts of HATDA, the Airports Concessionaire's Committee and others in seeking your continued support of the Program.

Very truly yours,

N&K CPAs, Inc.

By Dennis Higashiguchi
Dennis Higashiguchi, Manager Consulting Services

000050

Davies Pacific Center 1250
841 Bishop Street
Honolulu, Hawaii 96813 USA

Telephone: 1-808 528-4050
Fax: 1-808 538-6227
E-mail: omnitrak@omnitrakgroup.com



OmniTrak Group Inc.

The Research-Based Marketing Professionals in the Pacific Rim

February 6, 2009

The Honorable Joey Manahan
Chair of the House Committee on Tourism, Culture & International Affairs
Via Fax: 586-6011

Re: House Bill No. 681

Dear Representative Manahan:

I write to you to strongly support House Bill Number 681 which concerns the Transit Accommodations Tax and, more specifically, how it is distributed. The bill calls for a certain percentage to be allocated for the Hawai'i Tourism Authority's (HTA) Product Development activities.

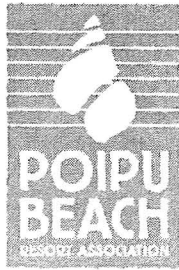
As we know, Hawai'i visitor satisfaction has been softening over the past several years. And, at the same time, competition among destinations for visitor arrivals and expenditures increases dramatically each year. If Hawai'i is to continue to be a foremost global visitor destination, we must not only have sufficient marketing funds to bring visitors to Hawai'i, we must also ensure that they have a visit that exceeds expectations because word of mouth recommendations are a powerful influence over other consumers deciding where to go.

In accordance with HTA's Strategic Plan, which was adopted after broad community input, the Product Development activities of HTA help to ensure that visitors to Hawai'i have an enjoyable and fulfilling visit to our Islands. Some of the product development activities to meet this objective include protecting Hawai'i's rich cultural heritage; managing and helping to preserve our natural resources, including state parks in relationship to visitor usage; providing opportunities for visitors to inter-act with residents at real, community-based festival and events; greeting visitors; helping visitors who become unfortunate victims while visiting the Islands; offering professional development activities so Hawai'i's products remain competitive, etc. In other words, HTA's Product Development help to ensure that visitors see and feel Hawai'i's famous aloha spirit.

I believe that House Bill No. 681 will help to ensure an outstanding visitor experience to Hawai'i. Therefore I strongly endorse its passage and respectfully ask for the support of you and your committee members.

Aloha,
PAT LOU

000051



February 05, 2009

P.O. Box 730
Koloa, Kauai, HI 96756
V: (808) 742-7444
F: (808) 742-7887
info@poipubeach.org
www.poipubeach.org

Via Email Communication: TCItestimony@Capitol.hawaii.gov


To: Representative Joey Manahan, Chair
Committee on Tourism, Culture & International Affairs
Re: HB 681 Relating to the Transient Accommodations Tax
From: Poipu Beach Resort Association & Poipu Beach Foundation

Dear Chair Manahan and Members of the Committee on Tourism, Culture and International Affairs,

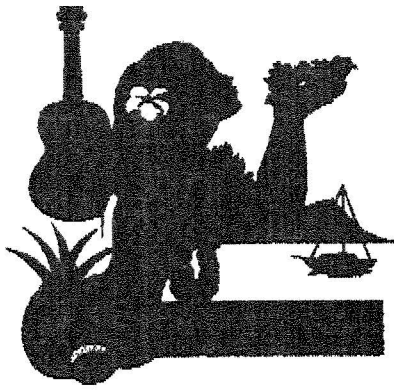
On behalf of the Poipu Beach Resort Association (PBRA), a 160 member-organization based on the South Shore of Kauai, we would like to offer our support of House Bill No. 681 (HB681), relating to the Transient Accommodations Tax (TAT) and more specifically to the Hawaii Revised Statues, Section 237D-6.5, which describes how the TAT shall be distributed and utilized. We strongly support the proposal to set a minimum percentage of the HTA budget that must be used to support tourism product development programs on the State and County levels by adding the phrase 'provided that not less than XXX percent shall be used for tourism product development.'

We believe that the tourism product development programs are a critical component of Hawaii's visitor industry and encourage you to consider supporting HB681.

Respectfully submitted,


Jody Kono Kjeldsen
Executive Director

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PO'OKELA

Hawaiian and Variety Music

FAX: 586-6271

February 6, 2009

Honorable Joey Manahan
Chair, Committee on Tourism, Culture and International Affairs
House of Representatives
State of Hawaii

Hearing: February 7, 2009

Re: HB 681 – Relating to Transient Accommodations Tax

Chair Joey Manahan and Honorable Committee Members:

My name is Gregory Sardinha and I am the owner of Pookela, a Hawaiian music entertainment company.


We are in support of the testimony submitted by the Airports Concessionaires Committee. We support this bill as long as it in part provides funding for greeters and training at our public airports.

Song and dance at our public airports are vital for promoting tourism, sharing our Aloha spirit and encouraging our millions of visitors to return to Hawaii and tell their family and friends about Hawaii. This is basic and what Hawaii is all about.

In addition the program provides important training to our airport employees who come into daily contact with the millions of tourists who travel through Hawaii's airports each year. It's important they be trained in the Hawaiian ways of greeting and assisting our visitors at our public airports.

Please ensure continued funding for the program to ensure that it is not eliminated from our airports.

Thank you for allowing us to testify.


GREGORY R. SARDINHA

1605 Ulupii Place, Kailua, Hawaii 96734 Ph. (808) 263-7670 Fax. (808) 263-3430

000053

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS, Disposition of revenues for tourism product development

BILL NUMBER: SB 284; HB 681 (Identical)

INTRODUCED BY: SB by Nishihara; HB by Manahan, McKelvey, Say, Tokioka, Tsuji, Yamashita and 2 Democrats

BRIEF SUMMARY: Amends HRS section 237D-6.5 to provide that of the 34.2% of the transient accommodations tax (TAT) revenues deposited into the tourism special fund, ___% shall be used for tourism product development.

EFFECTIVE DATE: July 1, 2009

STAFF COMMENTS: This measure would revert to the same problem faced by those who attempted to promote the visitor industry with public funds, the micro managing by the legislature of how the money was to be spent. In this case, it appears that lawmakers know just how much should be spent for tourism product development. The whole point of setting a lump sum of money aside from the TAT in 1998 was that the promotion of the visitor industry should be left to professionals in the field. By earmarking TAT monies for tourism product development, lawmakers are acknowledging that they are “professionals” in the visitor promotion business.

It should be noted that there is no definition of “tourism product development” in the proposed measure so it is questionable what tourism product development entails.

More importantly, by earmarking funds that are designated originally for tourism promotion and visitor industry research, funds for this particular area are reduced, curtailing the ability to respond appropriately to needs and market changes. It should be remembered that funds for this program area were siphoned off to provide funding for the state parks fund and the special land and development fund for the Hawaii statewide trail and access program.

Rather than perpetuating the diversion of TAT revenues, lawmakers should replace the siphons from the tourism special fund with appropriations if they deem such programs of importance. This would make lawmakers more accountable for their actions. What should be noted here is exactly what was predicted when the legislature began setting up special funds with carve-outs from existing revenue streams. Because these funds are earmarked for specific purposes, they become targets to tack on seemingly related program expenditures either because they are of lesser priority and therefore could not garner support for funding out of the general fund or would meet with lesser resistance as the funds are already earmarked and out of the reach of lawmakers to be utilized for other unrelated activities.

Digested 2/2/09

HOUSE OF REPRESENTATIVES
THE TWENTY-FIFTH LEGISLATURE, REGULAR SESSION OF 2009

COMMITTEE ON TOURISM, CULTURE & INTERNATIONAL AFFAIRS
Rep. Joey Manahan, Chair Rep. James Kunane Tokioka, Vice Chair

DATE: Saturday, February 7, 2009
TIME: 9:00 a.m.
PLACE: Conference Room 312
State Capitol, 415 South Beretania Street

WRITTEN TESTIMONY

My name is Jessica Lani Rich and I am the President & Executive Director of the Visitor Aloha Society of Hawaii, also known as VASH for short. We are a non-profit agency dealing with visitors in emergency situations. We are partners with the Hawaii Tourism Authority, Tourism Product Development program.

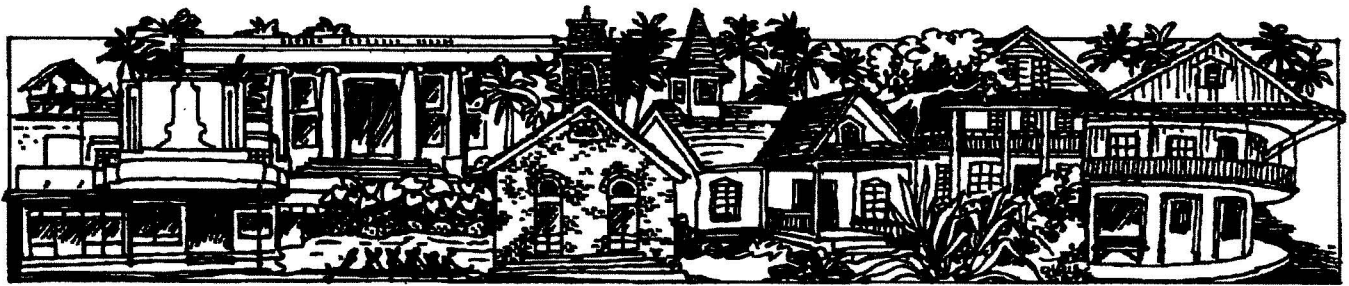
I am testifying relating to House Bill 681. While the concept of the bill reflects the importance of the Tourism Product Development Program, putting a percentage on the program could be restrictive to the crucial services that are provided. Thanks to the Tourism Product Development Program, our office provides assistance to hundreds of visitors in crisis every year. We deal with visitors who are victims of crimes, such as having their car broken into, thefts on the beach, hospital visitations, and we also help family members of visitors who even die while they are on vacation.

We assist visitors from around the world who save their money, and their dream is to come to paradise. When an unfortunate incident happens, such as a visitor having their wallet or purse stolen, the visitor is devastated. Our office steps in and provides moral support, meals, transportation, telephone calling cards, and anything we can do to help. The visitors are very grateful. A woman from Australia whose husband had a heart attack while on vacation, was taken to the hospital recently and said, "I went from feeling totally lost to feeling totally looked after." The husband got better and when they went back to Australia, they said they will be back to Honolulu again because of the "Aloha Spirit" they received from our office.

There are hundreds of visitors who return to Hawaii because they were looked after and assisted. Our assistance is available to visitors seven days a week. Our tourists return home with a wonderful memory. One visitor who was here for her wedding and was a victim of a theft, (she had her wedding ring stolen) said, "Everything you did was extremely helpful and made our wedding and honeymoon more enjoyable than it would have been. Not a day goes by that we do not think about our loss, but then we think about all you did and how kind you were to us. We will always remember your kindness." On behalf of the Visitor Aloha Society of Hawaii, I thank you.

Submitted by Jessica Lani Rich, President & Executive Director, Visitor Aloha Society of HI,
Waikiki Shopping Plaza, 2250 Kalakaua Avenue, Suite 403-3, Honolulu, HI Phone: 926-8274

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West Kauai Business & Professional Association

www.wkbpa.org 501c (6)

February 5, 2009

STATE OF HAWAII HOUSE OF REPRESENTATIVES - 25th LEGISLATURE REGULAR SESSION

COMMITTEE ON TOURISM, CULTURE, & INTERNATIONAL AFFAIRS

Rep. Joey Manahan, Chair

Rep. James Kunane Tokioka, Vice Chair

RE: HB 681 - RELATING TO THE TRANSIENT ACCOMMODATIONS TAX
Saturday, February 7, 2009 – 9:00am Hearing – Conf Room 312

Dear Representatives Manahan & Tokioka:

Aloha!

The West Kauai Business and Professional Association would like to **express our support** for your proposed **House Bill #681**, whereby a fixed percentage of not less than **“a to be determined”** percentage of the moneys allocated to the tourism special fund, from the transient accommodations tax, will be used for tourism product development.

This proposed language will be of significant benefit to many non-profit organizations, state-wide, which rely upon the availability of Tourism Product Development funds to support specific events and programs, which, in turn, allow for the provision of venues whereby significant additional monies can be derived to meet the annual funding needs for the many participating non-profit entities.

Our Waimea Town Celebration, now in its 32nd year, provides an excellent example of this phenomenon:

We typically receive from **\$20,000 to \$25,000** dollars of Product Development funds, each year, for our event. The funds help us to defray the costs of our event entertainment, which is the major draw for visitor (and resident) participation.

We estimate somewhere between 12,000 to 15,000 attendees to our two-day event, each spending \$15 per day on food, game and beverage booth items – **generating some \$405,000 in gross sales** - with these food, game and beverage booth purveyors being community-based, youth sports and/or similar organizations. For most of these entities, the Waimea Town Celebration becomes their key fund-raising opportunity each year, to allow them to defray the costs of their worthwhile community programs.

The absence of Tourism Product Development funds, in support of our event, would potentially lead to the loss of this fund-raising opportunity for the participating non-profits.

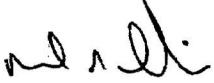
Accordingly, we support your efforts to protect the ongoing future availability of such funds.

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Should you require additional information or details in support of the above information, please feel free to contact me at (808) 651-3368.

Mahalo!

Sincerely,



Mark Nellis,
Business Manager

FAX TO: 1-800-535-3859 (Neighbor Islands)

000057

Amy Luke

From: Liz Foote [lfoote@hawaii.rr.com]
Sent: Friday, February 06, 2009 8:31 AM
To: TCtestimony
Subject: Testimony regarding HB681

To the committee:

H.B. No 681 was just brought to my attention and I have limited time to submit testimony, but I wanted to convey a few things. I am concerned that HTA's capacity for grantmaking will be weakened by the provision regarding funding for product development. I am aware that economic considerations are a factor, but the key message I would like to transmit is that here in Hawai'i, the "environment is the economy," and HTA's product development and natural resources programs allow the agency to support initiatives that promote conservation and stewardship of the irreplaceable resources that bring visitors here. People will be inherently drawn to visit Hawaii due to the appeal of the natural resources, but they will not be compelled to return if the resources become degraded. I hope that HTA can maintain support of its natural and cultural resource programs.

Liz Foote
Wailuku, Maui, Hawaii

HOUSE OF REPRESENTATIVES
THE TWENTY-FIFTH LEGISLATURE
REGULAR SESSION OF 2009

COMMITTEE ON TOURISM, CULTURE, & INTERNATIONAL AFFAIRS

Rep. Joey Manahan, Chair

Rep. James Kunane Tokioka, Vice Chair

Rep. Clift Tsuji

Rep. Jessica Wooley

Rep. Lyla B. Berg

Rep. Cindy Evans

Rep. Glenn Wakai

Rep. Barbara C. Marumoto

Rep. Isaac W. Choy

Rep. Angus LX. McKelvey

DATE: Saturday, February 07, 2009

TIME: 9:00AM

PLACE: State Capitol -- Conference Room 312
415 South Beretania Street

MY NAME IS LEONA M. KALIMA

I AM IN **SUPPORT WITH CLARIFICATION & A OFFERED AMENDMENT** TO THE
FOLLOWING HOUSE BILL:

HB 681 -- RELATING TO THE TRANSIENT ACCOMMODATIONS TAX

Requires that not less than **median** % of moneys allocated to the tourism
special fund from the transient accommodations tax be used for
tourism product development.

Clarification:

Hawaii Tourism Authority has the kuleana to fully support the tourism product
development (inclusive of the Hawaiian Culture, festivals, natural resources, airport
greeter programs, etc.) addressed in the HTA mission and strategic plan with TAT funding.
Active malama to our beloved product called Hawaii, the indigenous Hawaiian culture and
its unique Aloha Spirit, paramount's Hawaii from other tourist destinations that may be
cheaper, closer, bang for the bucks "vacation" talk around the cooler....in a worldwide
tourism market, where every theme park, county, state, & country is in fierce competition
for the "fewer and limited" tourist dollars.

By appropriate funding to create, implement and support the tourism product
development programs, Hawaii will keep its marketable edge, during the economic down
times, and hopefully sustain itself until the economy rebounds.

BTW, marketing dollars does not circulate within the Hawaii economy, but RATHER to a
few consulting, marketing and/or advertising firms personnel. TPD impacts leveraging
power. What's your economic stimulus plan?

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February 5, 2009

State Representative Joey Manahan
Chair
House Committee on Tourism, Culture & International Affairs
State Capitol
Honolulu, HI 96813

Subject: **House Bill No. 681**

Dear Representative Manahan and Members of the House Committee on Tourism, Culture & International Affairs,

As a recreation and tourism planner, I am very supportive of House Bill No. 681. By way of introduction, I am professional planning consultant and a member of Hawaii Tourism Authority's (HTA) Natural Advisory Group (NRAG). My recent planning projects include: *HTA's Natural Resource Assessment*, the *Hawaii Tourism Strategic Plan*, the *Diamond Head State Monument Master Plan*, and the *2003 Statewide Comprehensive Outdoor Recreation Plan (SCORP)* and its current update (*2008 SCORP*), which is in process.

In 2002, the HTA established the NRAG, which is a group of individuals from the public and private sectors to assist and advise the HTA in its Natural Resources Program. The Natural Resources Program is one of many the many programs funded by HTA that support the overall HTA mission and goal by expanding, enriching, and diversifying Hawaii's tourism product.

I can greatly appreciate the cries by some members of the visitor industry to prioritize nearly all of HTA's budget towards marketing. However, through websites and blogs, "word-of-mouth" is increasingly being relied upon by travelers in making their travel decisions. I am convinced that if the Hawaii "product" is tarnished by poor and inadequate facilities at natural resources frequently visited by visitors, or by the lack of experiential events (such as festivals, community events), visitors will no longer find Hawaii appealing for the great natural resources and unique native Hawaiian, Pacific and Asian cultures it offers.

Please ensure that a portion of the Transient Accommodations Tax is reserved for tourism product development, by voting for House Bill No. 681.

Thank you very much for considering my testimony.

Mahalo,

Vincent Shigekuni
Vice President
PBR HAWAII

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Representative Joey Manahan, Chair
Representative James Kunane Tokioka, Vice-Chair
House Committee on Tourism, Culture & International Affairs
February 7, 2009
Testimony in support of HB 681 RELATING TO THE TRANSIENT ACCOMMODATIONS
TAX.

Chair Manahan, Vice-Chair Tokioka, and Members of the Committee,

I strongly support HB 681. I believe that it addresses a long-standing, important need in our community: namely, consistent support for the development of “products”--festivals, events, cultural activities, etc.--that enhance the experience of our visitors.

As a researcher at the School of Travel Industry Management for 13 years, I have had the opportunity to work extensively with visitors (via study groups that we host throughout the year) and with data and studies that examine the visitor experience in Hawaii and other destinations. I can say, without hesitation, that the availability of fresh, unique, culturally appropriate events and activities, is essential to Hawaii’s ability to provide our visitors with an experience that cannot be duplicated anywhere else. Essentially, these “products” provide our visitors with that intangible sense of Hawaii, as a special place and culture, that is--if I may borrow from a popular advertising slogan--priceless.

Yes, marketing is essential, and should rightly remain the focus of HTA resources. However, a community that is rich with events and activities that visitors can participate in and enjoy complements our marketing efforts in two key ways: it gives us something special to market to the world, and it enables us to deliver on our marketing promises of a special and unique experience.

I would like to emphasize that product development, as it is conceived in the HTA strategic plan and as it is carried out by its staff, is essentially community development. It supports the efforts and aspirations of many of our individuals and organizations to create, improve, and expand activities that ultimately have as much to do with the vitality of our own community as with the visitor experience. This is not to diminish the efforts of commercially oriented enterprises in providing jobs and rich visitor experiences; for these, we should all be thankful as well. Rather, it is to emphasize that we need to be open to the possibility that there are, and will be, many opportunities to build and sustain community-based experiences that may not be readily adaptable to a commercial model of viability.

These opportunities should be nourished because I believe it is clear to all of us that a truly sustainable visitor industry in Hawaii--one that both contributes to, and is embraced by, the host community--depends on the health of the individuals and organizations that have something to share with the rest of the world. Towards this end, the HTA product development program has

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been an invaluable part of our industry and community. Passage of HB 681 will , I hope, ensure that the program will continue to play this important role in years to come.

Thank you for the opportunity to present this testimony.

Russell Uyeno

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JACQUELINE WAH [REDACTED] HONOLULU, HAWAII'I 96839

5 February 2009

To Whom It May Concern:

I am writing in favor of the passage of HB946.

It makes it convenient to contribute to a number of programs facing funding cuts, programs that are often times the first to see drastic cuts when our state faces difficult economic times like the ones we are now experiencing.

I am especially pleased to see the State Foundation on Culture and the Arts as one of the beneficiaries of this Bill. Additional funding ensures that the SFCA could continue its outreach to many underserved communities.

Sincerely,

Jacqueline Wah

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Statement of
Marnie Weeks
Producer, Kuhio Beach Hula Show

Before the Hawaii State House of Representatives
Committee on Tourism, Culture & International Affairs

Saturday, February 7, 2009

In Support of
HB 681 RELATING TO THE TRANSIENT ACCOMMODATIONS TAX

I am Marnie Weeks, and I produce the Kuhio Beach Hula Shows under contract to the Waikiki Improvement Association, a nonprofit organization representing 170 leading businesses and stakeholders in Waikiki. I am testifying in support of House Bill 681, regarding allocation of funding for tourism product development. Recently, due to reduction in the support of Hawaii Tourism Authority, the Kuhio Beach Hula Show was forced to cut its schedule in half, from 6 nights a week to 3.

Kuhio Beach Hula Show - Description

The free Kuhio Beach Hula Show brings authentic Hawaiian culture to life in a beautiful outdoor setting, with sunset, ocean, canoes, surfers, palm trees, etc. The show presents a different pageant each night, by various *halau hula* (dance troupes) and Hawaiian performers. The *Pa Hula* (Hawaiian hula mound) at Kuhio Beach was blessed in a Hawaiian ceremony, dedicating it to hula.

The hour-long shows feature only authentic Hawaiian hula, presenting both ancient and modern dances to live musical accompaniment. History, costume, and instruments are explained, and translations provided, to combine learning with the entertainment. A variety of hula styles are presented. On some nights, hula lessons are included in the show. Often, guest dancers or musicians in the audience are brought onstage to perform spontaneously.

It is a popular program, known worldwide and often a target destination, which has become a living landmark of Waikiki.

Benefits of Kuhio Beach Hula Show

This deceptively simple program actually performs a variety of valuable functions for the visitor industry and the community, as detailed below.


- **Promotional Tool** – the hula show provides a representative visual example of Hawaiian culture free of charge to professionals, and has been featured in dramas, product advertising, travel shows and documentary films around the world, in print and on the internet. Being familiar with the variety of groups who perform, we work with photographers and filmmakers to get them their best subject. Images of the show, made available by the producer, are used in travel advertising and event listings. The hula show is also widely photographed by attendees; amateur picture-sharing sites such as FlickrR and YouTube feature countless images of the show. Personal recommendations from back home also bring travellers to seek out the show to enhance their visit to Hawaii. About 200,000 people experience the show each year.
- **Benefit for Visitors** – it provides a generous, free activity for visitors, which educates as well as entertains. It offers them to a rewarding experience of the host culture of Hawaii. Performers meet and

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greet the audience during and after the shows, providing a memorable personal exchange. They see *keiki* (children) and *kupuna* (elder) dancers, man and women, ancient and modern hula, with many authentic elements they don't find in hotel or lu'au shows. In addition, it creates bright positive activity in a dark area otherwise prone to homelessness and criminal activity.

- Supports the Visitor Industry – the hula shows are accessible to guests of all hotels in Waikiki, being close to both trolley and bus stops, and provide the kind of shows hotels often find too financially challenging to mount. They add to the overall ambience of Waikiki, fulfilling visitor expectations of Hawaiian music and hula dancers. The hula mound serves as a gathering place for hundreds of visitors each night, as well as kama`aina, who then go on with their evening to enjoy restaurants and shopping in the district.
- Hawaiian Sense of Place – the show identifies this place as a Hawaiian destination. It demonstrates Hawaii's pride in our local culture. The hula mound with hula show is a living landmark in Waikiki with iconic status. The show properly utilizes the Waikiki's only public hula mound, dedicated to hula in a Hawaiian ceremony when it was blessed. It also provides a dignified contrast to the street performers, which are numerous, and rarely represent anything Hawaiian.
- Benefit for the Community – it supports cultural practitioners financially and values them culturally. The show is an opportunity for kama`aina and visitors to meet and interact positively. It provides valuable stage experience for hula students and up-coming musicians, many of whom eventually end up performing in hotels and showrooms, or in shows which travel the world, promoting Hawaii.
- Celebrates the Hawaiian Culture – it presents only authentic Hawaiian song and dance; not Polynesian. Different hula styles and lineages are demonstrated, as each show features a different group. The *halau* are a representative cross-section of the hula community, from Merrie Monarch winners to non-competitive traditional groups.
- Marketing Promise Fulfilled - The program is representative of the Hawai'i visitors come to see, the Hawaii they have been promised in advertising and marketing for the destination. It completes the interaction.

Respectfully submitted,
Marnie Weeks


Honolulu, HI 96819


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