



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
Senate Committees on Economic Development, Tourism and Technology  
February 14, 2018 at 1:15 p.m.

By  
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University of Hawai'i System

SB 2224 Proposed SD1 – RELATING TO TOURISM

Chair Wakai, Vice Chair Taniguchi, and members of the committee:

Thank you for the opportunity to submit testimony on SB 2224. This bill renames the convention center enterprise special fund as the convention center operations and maintenance special fund and repeals the allocation of TAT revenues to that fund, and amends the allowable uses of that fund. It also redistributes transient accommodations tax revenue from the Hawai'i Tourism Authority to different state agencies, including the University of Hawai'i.

The University of Hawai'i appreciates the bill authors' recognition that UH is a major contributor promoting Hawai'i in the areas of education, educational exchange, athletics, intellectual property, etc. While the University would appreciate and could use additional funding, we are also very cognizant about limited state funding resources for all agencies.

Thank you for the opportunity to testify on SB 2224 Proposed SD1.

DAVID Y. IGE  
GOVERNOR OF  
HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
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STATE OF HAWAII  
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Testimony of  
SUZANNE D. CASE  
Chairperson

Before the Senate Committee on  
ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Wednesday, February 14, 2018  
1:15 PM  
State Capitol, Conference Room 414

In consideration of  
SENATE BILL 2224, PROPOSED SENATE DRAFT 1  
RELATING TO TOURISM

Senate Bill 2224, Proposed Senate Draft 1 proposes to: (1) Rename the Convention Center Enterprise Special Fund as the Convention Center Operations and Maintenance Special Fund; (2) Repeal the allocation of Transient Accommodation Tax (TAT) revenue to that fund; (3) Amend the allowable uses of that fund; (4) Redistribute TAT tax revenue from the Hawaii Tourism Authority (HTA) to different state agencies for certain purposes. **The Department of Land and Natural Resources (Department) testimony is limited to the proposed paragraph (8) to Section 237D-6.5(b), Hawaii Revised Statutes, in SECTION 3 of the measure. The Department supports this proposed amendment, provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request and offers the following amendment.**

The Department maintains strong support for measures that recognize the need to allocate revenue derived from the robust visitor industry toward offsetting associated impacts to natural and cultural resources and the divisions and programs that manage and must mitigate these impacts. This measure proposes a significant re-distribution of tourism derived revenue and recommends the following amendment (in gray highlight):

On page 8 SECTION 3. Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(8) \$10,000,000 shall be allocated to the department of land and natural resources; provided that the funds allocated shall be expended to address the impact of tourism on the natural resources of the State including, but not limited to, enhancing public safety, enforcement, trail maintenance, and marine resources”

The \$10,000,000 would be applied to further offset the direct impacts of the tourism industry on specific Department programs, divisions, resources and infrastructure that is increasing the need for enforcement, contracted lifeguards, trail maintenance, ocean recreation safety programs, and aquatic resources protection.

Thank you for the opportunity to comment on this significant measure.