





Testimony of: Michael Jokovich Area Vice President and General Manager Andaz Maui at Wailea Resort On SB 2996 SD1 Relating to an Airport Corporation

Committee on Transportation and Energy Wednesday February 28, 2018

Dear Chair Dela Cruz, Vic Chair Keith-Agaran, and Member of the Committee,

My name is Michael Jokovich, Area Vice President and General Manager of the Andaz Maui at Wailea Resort.

On behalf of the Maui Hotel & Lodging Association, I ask for your support of SB 2996 SD1, which authorizes the establishment of the Hawaii airports corporation within the department of transportation for administrative purposes. Sets out appointment members to the board of directors and powers and duties of the Hawaii airport corporation. Transfers the aeronautics functions to the DOT to the Hawaii Airports Corporation by the established transfer completion date agreed upon by Hawaii Airports Corporation, the director of transportation, and the governor, which shall be no later than July 1, 2021.

The first and last impressions of our visitors occur at our airports. The hospitality industry's continued progress is very dependent on the quality of our airports. It is vital that we improve upon the service, infrastructure, and overall development of such a vital entity. We support the airport corporation as a single entity to oversee our airport's planning, management, marketing and development.

We respectfully request you consider passing SB 2996 SD1. Thank you for the opportunity to testify.

Best Regards,

Michael Jokovich Area Vice President Hawaii

and General Manager

ANDAZ MAUI AT WAILEA RESORT 3550 Wailea Alanui Drive, Wailea, HI 96753





Testimony of

Mufi Hannemann President & CEO Hawai'i Lodging & Tourism Association

> Senate Committee on: Ways and Means February 28, 2018

Senate Bill 2489 SD1: Relating to Taxation

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

On behalf of the nearly 700 members of the Hawai'i Lodging & Tourism Association, the state's largest private-sector visitor industry organization, we thank you for the opportunity to testify on Senate Bill 2489 SD1, which proposes to increase the transient accommodations tax collected from time shares by changing the methodology used in calculating the tax.

It is worth noting that timeshare units are already subject to the same TAT rates as regular hotel rooms, whenever they are not being used by their owners and are being rented by non-owners or used for marketing purposes by developers.

The owners of timeshares are, in fact, Hawai'i property owners. These owners regularly generate much-needed spending throughout the islands. They pay annual maintenance fees that include property taxes, general excises taxes, and fees. No other property owners are required to pay an occupancy tax to stay in real property they already own.

The Hawai'i Lodging & Tourism Association opposes Senate Bill 2489 SD1 and thanks you for the opportunity to provide testimony.