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HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO UPDATE THE SUSTAINABLE TOURISM PROJECT.

WHEREAS, tourism is vital to Hawaii's economy as demonstrated by \$18 billion in visitor expenditures in 2018, which is 20 percent of Hawaii's gross domestic product; and

WHEREAS, according to the Department of Business, Economic Development and Tourism's Quarterly Tourism Forecast, 9.95 million tourists visited Hawaii in 2018 and is expected to grow to 10.67 million tourists by 2022; and

WHEREAS, the growing number of tourists will contribute to Hawaii's diminishing infrastructural and natural resource capacities, as exemplified by the Hawaii Tourism Authority's 2016-2020 Strategic Plan's SWOT analysis that highlights some of the Hawaii's weaknesses as, "limited resources including water and food production," "aging infrastructure," and "overreliance on tourism and development"; and

WHEREAS, the Hawaii Tourism Authority's 2017 Resident Sentiment Survey shows that about 40 percent of Hawaii residents perceive tourism as an industry that increases traffic problems, results in higher cost of living, overcrowding, damage to the environment, and no respect for the culture; and

WHEREAS, since 2011, 20 percent less residents agree that overall tourism has brought more benefits than problems to the island, and 10 percent more residents agree that the island is being run for tourists at the expense of local people; and

WHEREAS, Hawaii is subpoenaing 10 years worth of records in an attempt to collect about \$136 million in transient accommodation taxes, and general excise tax from illegal Airbnb's and home-sharing platforms; and WHEREAS, the Department of Business, Economic Development, and Tourism conducted a research project on tourism's impacts on the economy, environment, socio-cultural factors, and physical infrastructure in 2001-2005 titled, "Sustainable Tourism Project"; and

WHEREAS, this research project identified present capacities and issues that stemmed from visitor and resident growth, and then made recommendations based on specific resource and infrastructural element on each island for each local community; and

WHEREAS, the Sustainable Tourism Project played a critical role in identifying how tourism impacted Hawaii, which developed general strategies and planning tools to aid policymakers to manage the industry's growth and thus, balance residents' quality of life and the quality of the visitor experience; and

 WHEREAS, since 2005, the number of visitors increased by 2.45 million, which necessitates another research study on Hawaii's tourism impacts, especially because none has been conducted in the last 14 years; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019, that the Department of Business, Economic Development and Tourism's Research and Economic Analysis Division partners with the Office of State Planning and the Hawaii Tourism Authority is requested to conduct an updated Sustainable Tourism Project and propose updated recommendations to ensure the State's continued economic growth and maintained resources; and

BE IT FURTHER RESOLVED that the Department of Business, Economic Development and Tourism is requested to consider engaging University of Hawaii in the Sustainable Tourism Project; and

BE IT FURTHER RESOLVED that the Department of Business, Economic Development and Tourism is requested to annually report

to the legislature 20 days prior to each Regular Session until the research project is complete; and

BE IT FURTHER RESOLVED that upon completion of the research project, the Department of Business, Economic Development and Tourism is requested to submit a final report with recommendations to the legislature; and

 BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Department of Business, Economic Development and Tourism, the Director of the Office of State Planning, and the President of Hawaii Tourism Authority.

OFFERED BY:

MAR 0 8 2019