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BUDGET, PROGRAM PLANNING AND
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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT,
AND TOURISM AND WATER AND LAND
ON
SENATE BILL NO. 836

February 8, 2019
3:10 p.m.
Room 414

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX

Senate Bill (S.B.) No. 836 increases the allocation from Transient Accommodations Tax (TAT) revenues to the Special Land and Development Fund (SLDF) from \$3,000,000 to \$5,000,000, in conjunction with the Hawaii Tourism Authority Strategic Plan, to protect and enforce public lands and natural resources, including State parks, beaches, and trails important to the visitor industry.

The Department of Budget and Finance appreciates the intent of this measure, but prefers that Administration Bill, S.B. No. 1209, be considered instead. The Administration's proposal amends distribution of the TAT revenues, and increases the allocation to the SLDF to \$10,000,000 to manage Hawaii's natural resources. Additionally, the Administration Bill converts the fixed amount of TAT revenues allocated to the counties to a percentage.

Thank you for your consideration of our comments.

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

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FORESTRY AND WILDLIFE
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LAND
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STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committees on
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM
and
WATER AND LAND**

**Friday, February 8, 2019
3:10 PM
State Capitol, Conference Room 414**

**In consideration of
SENATE BILL 836
RELATING TO THE TRANSIENT ACCOMMODATIONS TAX**

Senate Bill 836 proposes to increase the allocation of funds from transient accommodations tax revenue to the special land and development fund to improve certain state resources and services. **The Department of Land and Natural Resources (Department) strongly supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request.**

The Department manages lands that contain the state's most unique natural and cultural resources and the nexus for diverting and allocating a greater portion of the transient accommodation tax (TAT) for enhancing the management of these resources is clear and crucial. Recent data indicates that Hawaii was visited by approximately 9.9 million visitors over the past year. This is record setting patronage that is impacting sensitive natural, cultural and historic State Park resources and the ancillary trails, roads, parking features, comfort stations and associated infrastructure and at select park units, beaches. The impact is exacerbated by a dire lack of operating funds to fulfill statutory mandates for resource protection and to improve upon recreation access and public safety.

The public experience is now becoming compromised in increasingly more crowded park units that were not envisioned to host this current level of visitation. In addition to the impact of increased pressure, there are growing incidents of property crimes associated with car break-ins, illegal commercial activity, unauthorized events, illegal camping and homelessness.

Due to social media, there are rampant increases in visitors going out of bounds to natural and cultural attractions that have never been managed nor promoted by State Parks for public recreation. This increases the impact to the county Fires Rescue agencies that must respond to injuries and lost hikers.

The branding of Hawaii as a scenic and attractive resource destination has resulted in this unparalleled patronage - so it stands to reason that reinvestment in the natural and cultural assets is both the right thing to do for the litany of impacts and makes sound economic sense to preserve and improve upon the features that are part of the basis of Hawaii's tourist economy.

Thank you for the opportunity to comment on this measure.



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David Y. Ige
Governor

Chris Tatum
President and Chief Executive Officer

Statement of
CHRIS TATUM

Hawai'i Tourism Authority
before the
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

AND

SENATE COMMITTEE ON WATER AND LAND

Friday, February 8, 2019
3:10PM
State Capitol, Conference Room #414

In consideration of
SENATE BILL NO 836
RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

Chair Wakai, Vice Chair Taniguchi, members of the Senate Committee on Energy, Economic Development, and Tourism, and Chair Kahele, Vice Chair Keith-Agaran, and members of the Senate Committee on Water and Lands: The Hawai'i Tourism Authority (HTA) **supports Senate Bill 836**, which increases the allocation of funds from the transient accommodations tax (TAT) revenue to the special land and development fund from \$3,000,000 to \$5,000,000, in order to protect, preserve, maintain, and enhance our natural resources including state parks, beaches, and trails.

HTA believes that safe, secure and well-maintained community infrastructure is essential to the quality of life for our residents and visitors who use state parks, trails, and beaches. Providing additional funding for this purpose, through the special land and development fund, will allow the further development and support of programs that will have a direct positive impact on these facilities that play such an important role throughout our state.

The HTA has been very supportive of programs that are in alignment with the purpose of these additional funds. In FY18 \$541,390 was provided to the Department of Land and Natural Resources (DLNR) to support several initiatives in the areas of communications, parks, and forestry and wildlife. In FY19 \$550,000, is being provided to support a pilot program to assign park ambassadors at their busiest parks and trails statewide. We also set aside funds for a comprehensive state parks survey (\$400,000) which will provide greater insight into the condition, usage and management of our state parks.

HTA supports Senate Bill 836. We appreciate this opportunity to provide testimony.

SB-836

Submitted on: 2/4/2019 5:44:33 PM

Testimony for EET on 2/8/2019 3:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Winslow	Individual	Support	No

Comments:

SB-836

Submitted on: 2/7/2019 8:09:17 AM

Testimony for EET on 2/8/2019 3:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Michelle Matson	Individual	Support	No

Comments:

SB-836

Submitted on: 2/7/2019 3:10:59 PM

Testimony for EET on 2/8/2019 3:10:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments: