



Hawai'i Convention Center
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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

Friday, February 1, 2019
3:00 p.m.
State Capitol, Conference Room #414

In consideration of
SENATE BILL NO 803
RELATING TO HAWAIIAN CULTURE.

Chair Wakai, Vice Chair Taniguchi and members of the Committee on Energy, Economic Development, and Tourism, the Hawai'i Tourism Authority (HTA) **strongly supports** Senate Bill 803, which eliminates the requirement that the Hawaiian Center and the Museum of Hawaiian Music and Dance (Hawaiian Center) be located at the Hawai'i Convention Center.

HTA recognizes the importance of strengthening Hawaii's brand by making authentic experiences accessible to visitors and residents. By eliminating the location requirement in the existing law, HTA will be able to work with stakeholders to find a location for the Hawaiian Center that will be optimal for residents and visitors to enjoy. We appreciate this opportunity to provide testimony.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS, Expand earmark for Hawaiian Center

BILL NUMBER: SB 803; HB 420 (Identical)

INTRODUCED BY: SB by TANIGUCHI; HB by ONISHI, CREAGAN, DECOITE, HOLT, LUKE, MORIKAWA, NAKASHIMA, Okimoto, Perruso

EXECUTIVE SUMMARY: Modifies the earmark on transient accommodations tax revenue that now allocates \$1 million a year for the operation of a Hawaiian center and museum of Hawaiian music and dance at the convention center. The amendment would allow the Hawaiian center and the museum to be located anywhere. A better policy would be to remove the earmark entirely and to fund the programs out of generally appropriated revenue. That would restore transparency and legislative oversight.

SYNOPSIS: Amends HRS section 237D-6.5, which contains the earmarks on the transient accommodations tax revenue. Currently, \$79 million per year is allocated to the tourism special fund. Of that \$79 million, \$1 million is now allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance at the Hawaii convention center. The amendment is to delete “at the Hawaii convention center,” allowing the Hawaiian center and the museum of Hawaiian music and dance to be located anywhere.

EFFECTIVE DATE: Upon approval.

STAFF COMMENTS: As with any earmarking of revenues, the legislature will be preapproving each of the initiatives fed by the tax earmark, so expenses from the funds largely avoid legislative scrutiny, and the effectiveness of the programs funded becomes harder to ascertain. It is also difficult to determine whether too little or too much revenue has been diverted from other priorities in the state budget.

If the legislature deems the programs and purposes funded by this special fund to be a high priority, then it should maintain the accountability for these funds by appropriating the funds as it does with other programs. Earmarking revenues merely absolves elected officials from setting priorities. If the money were appropriated, lawmakers would have to evaluate the real or actual needs of each program.

Digested 1/29/2019



February 1, 2019

Senator Glenn Wakai, Chair
Senator Brian T. Taniguchi, Vice Chair
Committee on Energy, Economic Development, and Tourism
Conference Room 414
Hawai'i State Capitol Honolulu, HI 96813

LATE

RE: Testimony on **SB803**, Relating to Hawaiian Culture

Chair Wakai, Vice Chair Taniguchi, and Committee Members:

My name is Melanie Ide and I am the President and CEO of the Bishop Museum, Hawai'i's State Museum of Natural and Cultural History. We are strong supporters of the perpetuation and education of Hawaiian culture. The Museum's research and collections have played a foundational role in the renaissance of the Hawaiian language and hula, and the perpetuation of Hawaiian culture is central to our mission and our future. Thank you for the opportunity to provide testimony regarding this important bill.

Me ka ha'a ha'a,

A handwritten signature in black ink, appearing to read "Melanie Y. Ide".

Melanie Y. Ide
President & CEO