



Hawai'i Convention Center  
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**David Y. Ige**  
*Governor*

**John De Fries**  
*President and Chief Executive Officer*

Statement of  
**JOHN DE FRIES**

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

February 16, 2022  
3:10 p.m.  
State Capitol  
via videoconference

In consideration of  
**SENATE BILL NO. 1065 SD1**  
**RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND**  
**TOURISM**

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Aloha Chair Wakai, Vice Chair Misalucha, and members of the Committee on Energy, Economic Development, and Tourism.

The Hawai'i Tourism Authority appreciates the opportunity to provide testimony in **opposition** to SB1065 SD1. Many of the provisions in this bill that add to HTA's scope and responsibilities bring statute in line with the direction that HTA has been taking since the adoption of its new strategic plan in 2020 and subsequent adoption of the Destination Management Action Plans for each county. However, the reallocation of most marketing moneys to the respective county economic development offices compromises HTA's ability to move forward in that direction.

Since the HTA board adopted the current strategic plan in January 2020, HTA has shifted its focus from primarily marketing travel to Hawai'i to educating visitors about Hawai'i's values, being mindful travelers, and their kuleana to Mālama Ku'u Home (care for my beloved home). We have changed the way we measure our success by modifying our key performance indicators that track our progress. We no longer include visitor arrivals as a key metric but rather have focused on resident sentiment, visitor satisfaction, per person per day spending, and total visitor spending. We firmly believe that these metrics are the proper way to measure whether or not we are on track towards a sustainable and responsible tourism-based economy.

February 3, 2021

Page 2

In 2020 and 2021, our board adopted community-generated Destination Management Action Plans for each island as the guiding documents for HTA policy and as a roadmap for actions undertaken in partnership with other state entities, the counties, community organizations, and other stakeholders. The actions and sub-actions contained in those plans are actively being worked on and many were completed ahead of schedule.

In July 2021, we reorganized our structure and operations to become a more effective and efficient destination management organization in alignment with the direction of our 2020-2025 Strategic Plan and guided by our four interacting pillars: Natural Resources, Hawaiian Culture, Community, and Brand Marketing. In addition, we have drafted a Tourism Recovery and Marketing Plan, expected to be approved at our February 2022 board meeting which includes destination management action plan (DMAP) focused programs and projects.

The HTA was created in 1998 to provide for the comprehensive management of tourism for the State of Hawai'i by putting in place a single agency whose various responsibilities were previously handled by several departments, none of which regarded tourism as their primary focus. The legislation that created the agency found that "it is extremely important that the development, marketing, and research of this industry be coordinated in a manner consistent with the needs of the State." In more than two decades of service, the HTA has guided the State's leading industry in protecting Hawai'i's iconic brand, while staying current with worldwide trends and implementing strategies to reinforce the Hawaiian Islands' brand in key visitor source markets. The HTA's responsibility is to protect Hawai'i's brand including Hawai'i's natural environment, host culture and community spirit – the qualities that collectively define Hawai'i's unmatched global brand.

We firmly believe that decentralizing HTA's branding efforts and ultimately disposing HTA of its responsibilities to manage tourism will have devastating impacts on Hawai'i's communities and visitor industry, unraveling decades of efforts and the State's momentum toward a regenerative model of tourism. This approach will inevitably result in inefficiencies and a loss of economies of scale in purchased media, resulting in increased costs to the State. Abdicating HTA's visitor education efforts threatens to erase the progress Hawai'i has made in building a coordinated, market-appropriate voice to set realistic expectations in the minds of visitors. The reality is that the HTA now dedicates approximately 29% of its budget to visitor education efforts.

Allocating a significant percentage of the HTA's marketing funds (97%) to the counties based on the percentage of visitor arrivals in each county will likely encourage each county to increase visitor arrivals to the detriment of resident sentiment. This approach effectively results in competition between the counties and the communities they serve and amongst the counties themselves. The HTA has already pivoted away from the increasing of visitor counts as a primary objective by removing visitor arrivals as a KPI in its major market contractor agreements, but this erases all that effort.

We appreciate the opportunity to provide our testimony in **opposition** to SB1065 SD1. Mahalo.

OFFICE OF ECONOMIC REVITALIZATION  
**CITY AND COUNTY OF HONOLULU**

550 SOUTH KING STREET. • HONOLULU, HAWAII 96813  
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RICK BLANGIARDI  
MAYOR

AMY ASSELBAYE  
EXECUTIVE DIRECTOR

WEDNESDAY, FEBRUARY 16, 2022, 3:10 P.M.

STATE OF HAWAII  
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

**TESTIMONY ON SENATE BILL 1065 SD1  
A BILL RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC  
DEVELOPMENT, AND TOURISM**

BY  
AMY ASSELBAYE  
EXECUTIVE DIRECTOR  
OFFICE OF ECONOMIC REVITALIZATION

Dear Chair Wakai, Vice Chair Misalucha and Committee Members:

The City and County of Honolulu's ("City") Office of Economic Revitalization opposes Senate Bill 1065. The bill redirects visitor marketing responsibilities and relevant funding from the Hawaii Tourism Authority to the county level.

We appreciate the intent of legislation that grants increased authority to counties. However, in this case, we believe that the people of Hawai'i and our visitors are best served through a unified and coordinated education and marketing plan from the state level. The Hawai'i Tourism Authority (HTA) led efforts to begin the pivot of our visitor industry through its Destination Management Action Plans (DMAP). On Oahu, the planning was coordinated through the Office of Economic Revitalization and included many community leaders as well as additional City Directors on the Steering Committee. The DMAP effort included extensive outreach efforts on Oahu and in each County and is therefore well positioned to represent Hawai'i's collective interests on the worldwide stage. Marketing efforts are best leveraged for the state as a whole and not

February 15, 2022

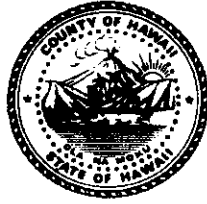
Page 2

in a small scale or piecemeal manner. This legislation will essentially reduce the value of the messaging dollar for each county.

Additionally, the proposed legislation allocates funding to the counties based on visitor arrivals. This model reinforces the demand for volume of visitors which is in direct contradiction to the Oahu DMAP and our deliberate shift away from ever increasing visitor numbers as a measure of success. Guests should be valued through activities where the well-being and health of our people and place are prioritized not jeopardized. The City envisions a visitor industry where regenerative tourism will create positive social, cultural and economic impacts; fostering a sense of agency in our local communities to strengthen social cohesion, create a vibrant economy and healthy people.

Thank you for the opportunity to testify in opposition to Senate Bill 1065.

Mitchell D. Roth  
Mayor



Douglass S. Adams  
Director

Robert Agres, Jr.  
Deputy Director

## County of Hawai'i

### DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 1301 • Hilo, Hawai'i 96720-4252  
(808) 961-8366 • Fax (808) 935-1205  
E-mail: chresdev@co.hawaii.hi.us

February 15, 2022

Senate Committee on Energy, Economic Development, and Tourism  
Senator Wakai, Chair  
Senator Misalucha, Vice-Chair

Re: SB1065 SD1 Related to Department of Business, Economic Development and Tourism (Hearing Date: Wednesday, February 16, 2022, 3:10 pm)

Aloha Chair Wakai, Vice-Chair Misalucha, and Members of the Committee,

The Department of Research & Development, County of Hawaii, is grateful for the opportunity to address the Committee regarding Senate Bill (SB) 1065 SD1, the proposal to redefine the responsibilities of the Hawaii Tourism Authority (HTA), and to allocate most tourism marketing funding to the counties. As the Department with charter responsibility for economic development within the County, we oppose SB1065 SD1 and urge the Committee to recommend that the Senate vote to reject the bill.

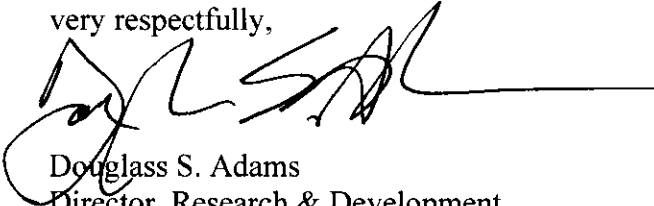
The Department partners with HTA and the Island of Hawaii Visitors Bureau (IHVB) to implement the community-developed Hawaii Island Destination Management Action Plan (DMAP). This effort is addressing goals of the County's Tourism Strategic Plan 2020-2025 (TSP): Responsible Tourism; Pono-Based Visitor Communication; Place-Based Education for Residents; and Infrastructure, through objectives that aim to rebuild, redefine and reset the direction of tourism over a three-year program period. These goals and objectives align with HTA's four interacting pillars: Natural Resources, Hawaiian Culture, Community, and Brand Marketing. The partnership of state, county, non-profit and private sector is making progress in a coordinated manner. Decentralizing the effort at this point in the process will inject chaos and confusion, reducing the efficacy of the community-generated action objectives and reversing progress that has been made in a coherent and expeditious way. Implementation of action steps has contributed to the renewal of the visitor sector on Hawaii Island in a responsible, regenerative and pono fashion, as we continue to sort through the effects of the COVID-19 pandemic.

HTA has the experience and expertise to lead the state's strategic effort in the post-pandemic visitor sector. The agency has reset itself with new and more efficient organizational capacities, working with its partners—including the County of Hawaii—to build a coordinated, market-appropriate approach to enhance visitor experience and

education, resident employment and support, and culturally-connected, place-based practices that preserve our land, our connections to the land, and to one another.

Mahalo for considering our testimony and we encourage you to oppose this bill.

very respectfully,

A handwritten signature in black ink, appearing to read 'D. S. Adams', with a long horizontal line extending to the right.

Douglass S. Adams  
Director, Research & Development

**Mitchell D. Roth**  
Mayor



**Lee E. Lord**  
Managing Director

**Robert H. Command**  
Deputy Managing Director

**County of Hawai'i**  
**Office of the Mayor**

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February 15, 2022

Chair, Senator Glenn Wakai  
Vice-Chair, Senator Bennette E. Misalucha  
Committee on Energy, Economic Development & Tourism  
Hawai'i State Legislature  
415 S. Beretania Street  
Honolulu, Hawai'i 96813

**Subject: S.B. 1065 SD1 RELATED TO DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**  
**Hearing Date: Wednesday, February 16, 2022 at 3:10 p.m.**  
**Time/Place of Hearing: Via Video Conference**  
**Conference Room 224**


Aloha Chair Wakai, Vice Chair Misalucha, and members of the Committee on Energy, Economic Development & Tourism;

On behalf of the County of Hawai'i, I am expressing our opposition to SB 1065 SD1 which proposes to redirect marketing responsibilities and funding from the Hawai'i Tourism Authority to the counties. We stand by the testimony submitted by our Research and Development Office in opposition to this bill and offer the following comments.

While we appreciate the intent of this legislation to localize our visitor industry marketing approach, we believe that a state-wide marketing plan coordinated through the Hawai'i Tourism Authority (HTA) would best serve our county and the people of Hawai'i as we navigate toward a more culturally vibrant regenerative tourism model.

As HTA has already engaged the counties through its Destination Management Action Plans (DMAP) process, it is well positioned to represent Hawai'i's collective interests globally and maximize the value of its promotional dollars. The proposed legislation also appears to contradict our intentional shift away from using visitor arrivals as a metric to measure success by allocating funding to the counties based on tourist numbers. I join our fellow counties and visitor industry leaders in opposing SB1065 SD1 and request your sincerest consideration of our testimony.

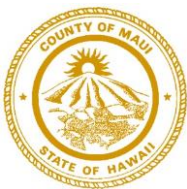
Mahalo,

  
**MITCHELL D. ROTH**  
Mayor,  
County of Hawai'i

Michael P. Victorino  
Mayor

Sananda K. Baz  
Managing Director

JoAnn Inamasu  
Director



**OFFICE OF ECONOMIC DEVELOPMENT**

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[www.mauicounty.gov](http://www.mauicounty.gov)

**LATE**

WEDNESDAY, FEBRUARY 16, 2022, 3:10 P.M.

STATE OF HAWAII  
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND  
TOURISM

**TESTIMONY ON SENATE BILL 1065 SD1  
A BILL RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC  
DEVELOPMENT, AND TOURISM**

BY  
JOANN INAMASU  
DIRECTOR  
OFFICE OF ECONOMIC DEVELOPMENT  
COUNTY OF MAUI

Dear Chair Wakai, Vice Chair Misalucha and Committee Members:

The County of Maui's Office of Economic Development **opposes Senate Bill 1065**. The bill redirects visitor marketing responsibilities and relevant funding from the Hawaii Tourism Authority to the county level.

The intent of the legislation to provide increased authority to the Counties is appreciated. However, in this case, we believe that the people of Hawai'i and our visitors are best served through a unified and coordinated education and marketing plan at the state level.

The Hawai'i Tourism Authority (HTA) led efforts to begin the pivot of our visitor industry through its Destination Management Action Plans (DMAP). Here in Maui County, the planning was coordinated with our office and included a diverse group of community leaders on the Steering Committees. Steering Committees were established for Maui, Moloka'i and Lana'i to ensure DMAP plans were island specific.



February 15, 2022  
Page 2

The DMAP effort included extensive outreach efforts throughout Maui County and in each neighbor island County and is therefore well positioned to represent Hawai'i's collective interests on the worldwide stage. Marketing efforts are best leveraged for the state as a cohesive plan and not in a small scale. This legislation will essentially reduce the value of the messaging dollar for each county.

Additionally, the proposed legislation allocates funding to the counties based on visitor arrivals. This model reinforces the demand for volume of visitors which is in direct contradiction to the DMAP for Maui, Molokai and Lanai with our deliberate shift away from ever increasing visitor numbers as a measure of success. Guests should be valued through activities where the well-being and health of our people and place are prioritized not jeopardized.

The County of Maui envisions a visitor industry where regenerative tourism will create positive social, cultural and economic impacts; fostering a sense of agency in our local communities to strengthen social cohesion, create a vibrant economy and healthy people.

Thank you for the opportunity to testify in **opposition** of **Senate Bill 1065**.

**SB-1065-SD-1**

Submitted on: 2/15/2022 9:55:09 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Dan King	Testifying for Grand Hyatt Kauai- General Manager	Oppose	No

Comments:

First and foremost, the allocation to HTA is not near sufficient to carry out a statewide plan. In addition the County Economic Development offices do not all have the expertise to administer a tourism marketing plan. The efficiencies and synergies throughout the state are critical as a world recognized destination, losing these synergies would be a tragedy to say the least.

As a hotelier, we compete with the entire world for both group and leisure business. The HVCB and island chapters provide not only consistent, day to day support, but a marketing and tourism vision that is inclusive, thoughtful and long term. I cannot emphasize enough how critical these institutions, strategies and programs are as we compete on the world stage. Our success is intricately tied to them and many small businesses on Kauai are tied to us. I appreciate your thoughtful consideration in opposing this bill.

**SB-1065-SD-1**

Submitted on: 2/15/2022 10:02:45 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Katy Britzmann	Testifying for Grand Hyatt Kauai Resort & Spa	Oppose	No

Comments:

As Director of Sales & Marketing at the Grand Hyatt Kauai, I oppose the bill, SB1065

The 3 percent allocation to HTA is not near sufficient to carry out a statewide plan, down from 6 percent. In addition the County Economic Development offices simply do not have the expertise to administer a tourism marketing plan. And furthermore, there will be no marketing consistency between the islands. As a world recognized destination, it is imperative that we have statewide cooperation and synergy in the development and execution of our tourism marketing plans.

As a hotelier, we compete with the entire world for both group and leisure business. The HVCB and island chapters provide not only consistent, day to day support, but a marketing and tourism vision that is inclusive, thoughtful and long term. I cannot emphasize enough how critical these institutions, strategies and programs are as we compete on the world stage. Our success is intricately tied to them and many small businesses on Kauai are tied to us. I appreciate your thoughtful consideration in opposing this bill.



*Maui Hotel & Lodging*  
ASSOCIATION

Testimony of  
Lisa H. Paulson  
Executive Director  
Maui Hotel & Lodging Association

Committee on Energy, Economic Development and Tourism

**Senate Bill 1065: Relating to Department of Business, Economic Development, and Tourism**

February 16, 2022, 3:10 pm

Conference Room 224

The Maui Hotel & Lodging Association is the legislative arm of the visitor industry for Maui County. We represent over 160 property and allied business members and over 19,000 rooms. **MHLA opposes Senate Bill 1065 SD1**, which includes best practice destination management and regenerative tourism under the scope and responsibilities of the Hawaii Tourism Authority (HTA). Requires HTA to develop a tourism management plan that includes tourism marketing, best practice destination management, and regenerative tourism. Requires HTA to allocate most marketing moneys to the respective county economic development offices for visitor marketing contracts and nonprofits that benefit the county. (SD1)

This measure would essentially eliminate how visitor marketing is handled for the State and create inconsistent messaging. It will also add another layer of bureaucracy and cost as each county may not be equipped to handle this unfamiliar territory and ultimately hire an outside contractor to implement.

Beginning in 2020 and through 2021, HTA engaged with the community, stakeholders, and government agencies throughout the State to craft each county's current Destination Management Action Plans (DMAP). Each county DMAP and island-specific marketing are currently handled by Hawaii Visitor and Convention Bureau (HVCB), with chapters on every island. We would ask the Committee to give the Destination Management Action Plans, and HVCB continued oversight of work that has already begun and that they have expertise in.

This proposed measure will jeopardize the cohesiveness of The Hawaiian Islands brand and potentially cause irreparable harm to HTA, our partners, and Hawai'i as a destination.

**For these reasons, MHLA opposes SB1065 SD1.**

Thank you for the opportunity to provide this testimony.



February 15, 2022

Senator Glenn Wakai, Chair  
Senate Committee on Energy, Economic Development and Tourism  
Hawaii State Legislature

### Opposition to SB1065 SD1

Dear Chair Wakai and Members of the Senate Committee on Energy, Economic Development and Tourism,

Thank you for the opportunity to testify on SB1065 SD1.

The Kohala Coast Resort Association's members employ 5,000 people, supporting 20,000 residents, at their hotels, timeshares, restaurants, retail shops, golf courses and spas along the Kohala Coast. Our association has been actively engaged in the creation and implementation of Hawaii Island's Destination Management Action Plan (DMAP), in partnership with leaders from the Hawaii Tourism Authority (HTA), the Island of Hawaii Visitors Bureau, the County of Hawaii Department of Research and Development, and numerous non-profits, businesses, and educational organizations.

Many of the goals expressed in bill SB1065 SD1, including the adoption of a *regenerative tourism* framework with a focus on *destination management*, are already active components of the DMAP. We are collectively working to protect and preserve our natural resources, promote our island's unique culture, and address challenges that come from unregulated growth of some components of our industry (short-term vacation rentals). We're grateful for HTA's leadership in creating a model that is both uniquely tailored at the island level, and seamlessly integrated across the state.

That is why we **oppose** Part III, Section 8, 201B of this measure, which would effectively eliminate the HTA, and instead allocate 97% of the funding to the county offices of economic development. **This action would undermine decades of important work, by a broad coalition of community members.**

In its 2013 and 2018 audits, members of the Hawaii State Legislature specifically asked HTA to streamline and remove duplicative administrative costs, by bringing all of its contracts in-house. HTA successfully completed that process. This measure would also unravel that important work, by sending the contracts back to the counties to administer. We could foreseeably create a situation where four separate contracts would be required, as each county contracted with a single entity (for example the University of Hawaii), instead of just one. What a waste of our tax dollars!

As the former Tourism Specialist for the County of Hawaii's Department of Research and Development (2006-2014), I can also attest that each county's economic development office is set up very differently from one another. Because some are tied directly to the mayor's office, their focus changes every time a new administration takes the helm. There is also no clear way to ensure continuity in projects between administrations. Further, county economic development staff may not have the direct expertise in tourism marketing and destination management that this measure would require. The counties would then need to contract experts for these services, with even more dollars spent on administration and less available to address issues on the ground.

For all of these reasons, we oppose this measure, and encourage you to vote it down. Please let the important work of the DMAP process continue.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho".

Stephanie Donoho, Administrative Director



Testimony of  
Joe Ibarra  
General Manager  
The Kahala Hotel & Resort

Senate Committee on Energy, Economic Development, & Tourism  
Senate Bill 1065, SD1: Relating to the Department of Business, Economic Development, and  
Tourism  
February 16, 2022

Chair Wakai, and members of the Committee, mahalo for the opportunity to submit testimony on behalf of The Kahala Hotel & Resort.

The Kahala Hotel & Resort – representing 338 luxury hotel rooms, with six full service food and beverage operation outlets, employing nearly 500 residents who support their families across the entire island of Oahu –opposes Senate Bill 1065, SD1. As General Manager of the resort, and a member of HTA’s DMAP Steering Committee for the island of Oahu, it is our goal to ensure that we bring the responsible, regenerative tourism traveler to the islands. It is important that the DMAPs for each island have statewide oversight.

Although the bill proposes to align with the destination management and regenerative tourism direction already adopted by HTA, it does not allow it to fulfill it. The current bill would eliminate HTA’s ability to oversee destination marketing and the fulfillment of the DMAP process through diverting funding to each of the counties. Although we understand that each county has different goals and action plans for its idea of tourism, it would prevent Hawaii from being marketed as a unified whole and destination. The mixed messaging would present Hawaii as fractured and unified. We need HTA and HVCB to ensure that the broader message of attracting the responsible traveler to all islands is at the forefront, and highlight each county in harmony with this overall message.

We currently have organizations like HVCB, Meet Hawaii and its Island Chapters, who have experience in this messaging, and this bill would eliminate their expertise and rely on individual county economic development offices to administer tourism marketing or management plans. It was evident with the difficulties the counties experienced when rolling out the county transient accommodations tax surcharges that the counties may not be equipped to manage and take on additional responsibilities without seeking additional help adding increased costs. Creating new county centered marketing plans will fracture Hawaii’s ability to compete on a larger scale by creating smaller marketing plans with smaller media budgets. The bill also proposes that the funds given to each county will be based on the percentage of visitor arrivals in each county, thereby encouraging the counties to compete against one another and the communities they



# THE KAHALA

HOTEL & RESORT

Honolulu, Hawaii

serve. This is also encourages a desire to increase visitor numbers, when we should be focusing on targeting and bringing in the responsible, regenerative tourism visitor.

It is our belief that a unified, state wide marketing plan which has been handled by the Hawaii Visitors & Convention Bureau and its island chapters, has and should continue to be how we move forward. These organizations have the skills, knowledge, and expertise to present our islands with a marketing plan that is cohesive and unified.

**Given the above items, The Kahala Hotel & Resort strongly opposes Senate Bill 1065, SD1.**

Thank you for the opportunity to offer this testimony.



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February 15, 2022

RE: Opposition to SB1065 SD1

Dear Chair Wakai and the Senate Committee on Energy, Economic Development and Tourism,

The Kona-Kohala Chamber of Commerce brings together the business community as a strong, united voice to address key issues on our island and in our state. With 425 member businesses and organizations, our mission is to provide leadership and advocacy for a successful business environment in West Hawai'i. We strive to enhance the quality of life for our community through a strong, sustainable economy on Hawai'i Island.

The Kona-Kohala Chamber of Commerce **strongly opposes SB1065 SD1** Relating to the Department of Business, Economic Development, and Tourism.

West Hawai'i's visitor industry drives the local economy through small business opportunity, jobs, capital investment and taxes. We strongly support Hawai'i Tourism Authority (HTA) and the implementation of Hawai'i Island's Destination Management Action Plan (DMAP).

As a member of the Steering Committee, the Kona-Kohala Chamber actively participated in the formation of the Hawai'i Island DMAP. This experience was hard work, but very inspiring as multiple stakeholders came together to create a shared vision to rebuild, redefine and reset the direction of tourism. These plans are now in the second year of a three year process.

The current framework seamlessly integrates the specific needs of each island while creating a unified message at the state level. Destination management and regenerative tourism are the foundations of the existing structure. This is not the time to alter our course and undermine the work of communities across the state.

**We ask that legislators stop making changes to HTA** and allow the agency to fulfill its mission to "Strategically manage Hawai'i tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires and visitor industry needs."

Mahalo for this opportunity to testify.

Sincerely,

A handwritten signature in black ink that reads "Wendy J. Laros". The signature is written in a cursive, flowing style.

Wendy J. Laros, President and CEO  
Kona-Kohala Chamber of Commerce





February 15, 2022

The Honorable Glenn Wakai  
Chairman, The Senate Committee on Energy, Economic Development and Tourism  
Hawaii State Capitol Room 407

Regarding: Testimony in **Opposition of SB 1065 SD1**

Aloha Chair Wakai, Vice-Chair Misalucha and members of the Senate Committee on Energy, Economic Development and Tourism,

Mahalo for the opportunity to provide comments on behalf of the Hawaii Hotel Alliance ("HHA") in opposition to SB 1065 SD1. As written, SB 1065 SD1 acknowledges the emphasis of HTA's strategic plan, adopted in 2020, which focuses on the Hawaii Tourism Authority towards curating respectful visitors to Hawaii. As written SB 1065 SD1 would detract from the efforts the State and the Hotel industry have made leading up to and throughout the pandemic to reflect the reality that tourism is supportive to and integral part of a thriving Hawaii.

The COVID-19 economic recession left Hawaii's hotels the hardest hit market in the country. For over a year, most hotels throughout the State were shut down and/or at occupancy levels that have left many properties operating at a significant loss. Despite the devastating impact that COVID-19 has had on Hawaii's hotels, the industry doubled down on our commitment to our island home and to the most valuable assets we have: the men and women of Hawaii who work in and around our hotels. To this end our hotels extended the health and welfare benefits for our furloughed employees and developed life-saving 'Safe Stay' protocols to protect our workers, our guests, and the communities we serve. Our hotels invested directly in community food drives, supported kupuna care, and engaged in countless acts of kokua for churches, schools, and relief programs. Throughout all of this, the Hawaii Tourism Authority partnered with our industry to ensure that this generational challenge was met with open communication and laser focus on ways that our hotels could demonstrate our commitment supporting the well-being of those of us who call Hawaii home.

The Hawaii Hotel Alliance's opposition to this measure is rooted in the hotel industry's belief that the Hawaii Tourism Authority has the capacity and willingness to execute on their stated strategic plan for the benefit of Hawaii's legitimate tourism industry and our residents. For your consideration, we have compiled a few examples of the importance of keeping HTA intact as they relate to the execution of our State's tourism objectives:

**-Protect our communities from over tourism through the eradication of illegal short-term rentals.** In 2009, Hawaii had 43,000 hotel rooms which ran at high occupancy with seven million visitors to our shores. In 2019, we had the same number of hotel rooms but more than 10.2 million visitors. The explosion of legal and illegal short-term rentals effectively dropped tens of thousands of unhosted hotels directly into the heart of some of our most coveted neighborhoods and fragile ecosystems across the State, and the vast majority of these short-term rental operators do not live in Hawaii. The Hawaii Tourism Authority has been and continues to be a leader in the fight against illegal short-term rentals. SB 1065 SD1 would dramatically reduce HTA's and our State's ability to combat illegal short-term rentals. The centralized nature of HTA's tourism management and strategic marketing resources enables consistent messaging in visitor education engagements on this issue, provides reliable data and information used by policy makers with the State and at the Counties in reviewing legislation on short-term rentals, and makes possible a coordinated Statewide solution to this and other policy matters.

**-Educate our guests and attract respectful visitors.** HTA's responsibility to protect Hawaii's brand includes our natural environment, host culture and community spirit – the qualities that collectively define Hawaii's unparalleled brand. As the only State-led agency to coordinate our internal and external strategic marketing efforts, HTA is uniquely positioned to carry out this effort. Having multiple messages from multiple agencies, on multiple islands will neuter the efficacy of these efforts locally and internationally.

**-Sound fiscal stewardship of our State's resources.** In managing and marketing tourism in Hawaii, HTA has the tremendous advantage of an economies of scale that cannot be achieved if the kuleana of HTA were broken into several pieces and parceled out across the State creating four new bureaucracies. Whether curating strategic marketing engagements with target guest audiences or developing programs to engage our Host culture and protect our sacred spaces, HTA has the tremendous advantage of a statutory mandate to conduct this work and the consolidated resources that reduce the overall administrative burdens that would result from a distributed network of unique engagements.

**- Legal Concerns with SB 1065 SD1**

SB 1065 SD1 raises serious legal concerns, which may be summarized as follows:

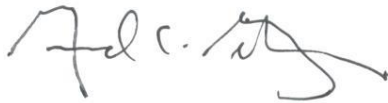
(1) HTA was created in part to promote a uniform and consistent state-wide approach toward marketing Hawaii for tourism. The proposed bill threatens to undermine the goals of uniformity and consistency by giving each county the freedom to develop its own marketing plan, and to direct moneys away from tourism marketing entirely.

(2) The bill is legally flawed because it allows the counties to direct moneys otherwise designated for marketing tourism to “non-profit organizations that benefit the county.” This may result in moneys being spent for purposes unrelated to promoting tourism, which is the primary purpose for which HTA was originally created.

(3) Finally, the bill is flawed because it usurps authority from HTA and delegates that authority to the counties. HRS 201B-13 already contemplates that county economic development offices may advise HTA on various issues from time to time. The bill substitutes the counties for HTA in terms of who decides on how moneys appropriated to HTA are spent.

In summary, the Hawaii Hotel respectfully submits that the Hawaii Tourism Authority be given the time and resources requisite to fulfilling these duties already in their charge, and we urge your committee's deferral of SB 1065 SD1. Mahalo Senate Committee for your time and commitment to tourism.

Mahalo,

A handwritten signature in black ink, appearing to read "Jerry Gibson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jerry Gibson, President  
Hawaii Hotel Alliance  
Jerry@hawaiihotelalliance.com

**SB-1065-SD-1**

Submitted on: 2/15/2022 2:20:25 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Wayne N. Hedani	Testifying for Kaanapali Operations Association Inc.	Oppose	No

Comments:

Chairman Wakai and Members of the Energy, Economic Development and Tourism Committee:

Aloha,

My name is Wayne N. Hedani and I am writing to you as President of Kaanapali Operations Association, Inc. or KOA for short. KOA represents our hotels, condominiums, commercial and recreational facilities at the Kaanapali Beach Resort on Maui. We represent 5000 rooms, two shopping centers and recreational facilities. The Kaanapali Beach Resort generates economic contribution to the Maui County and State of Hawaii economy of approximately \$3B annually and contributes over \$150M annually in taxes to State, County and Federal coffers.

We join with the Maui Hotel and Lodging Association opposing the bill in its current form for the reasons identified in Lisa Paulsens letter to the committee on behalf of MHLA.

Tourism and the Visitor Industry is the largest industry in the world. Every country competes for visitor dollars. With the approaching end of the pandemic (hopefully) most destinations will become competitive with Hawaii for visitor dollars once again. We must not lose focus on the mission of the Hawaii Tourism Authority in maintaining our presence in the marketplace under these coming circumstances.

The bill appears to muddle the mission of the HTA and each county is unprepared to handle marketing of its own image as a destination. Our counties would basically be competing with each other for visitor dollars. Here on Maui our local council is adopting language which will generally limit visitors to Maui to one visitor to every two residents. They would essentially be advocating for the reduction of visitors to Maui under these guidelines. The economic consequences of such a decision are not important to many of our council majority.

This is the situation into which you are entrusting the marketing of Hawaii's brand to the world. Marketing dollars may be gutted and turned over to non-profits with no relationship to the promotion or improvement of the visitor industry. This will be detrimental to everyone. The industry currently contributes significantly directly to non-profit organizations annually.

Please reconsider the language in the existing draft and recommit it to committee. An open ended invitation to spending for non-visitor affiliated organizations is not the intent of the plan for marketing of Hawaii and its individual counties. Hawaii will need every dollar it has to market Hawaii to the world once all markets reopen. We must be willing to compete aggressively to even maintain current levels of visitors to our islands. Marketing Hawaii and its counties to reduce the number of visitors coming to our islands is in no one's best interest.

Mahalo and Aloha for your consideration.

Wayne N. Hedani, President

Kaanapali Operations Association, Inc.

Ph. 808-661-7370 Cell 808-281-3686

cc: KOA BOD

**SB-1065-SD-1**

Submitted on: 2/15/2022 2:38:01 PM

Testimony for EET on 2/16/2022 3:10:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Lahela Aiwohi	Testifying for Hawai'i Hotel Alliance	Oppose	No

Comments:

Testimony of:

Lahela Aiwohi, VP

Hawai'i Hotel Alliance

Committee on Energy, Economic Development and Tourism

**Senate Bill 1065: Relating to Department of Business, Economic Development and Tourism**

February 16, 2022, 3:10 pm

Conference Room 224

Aloha,

The Hawai'i Hotel Alliance (HHA) in partnership with the American Hotel Lodging Association and their advocacy group at The American Hospitality Alliance, HHA engages on our county and states political issues that deal with our industry and community concerns. I represent our HHA members in Maui County. **HHA opposes Senate Bill 1065 SD1.**

In recent years, HTA has been integral in curating information, resources, and support for county specific needs relating to tourism management and strategic marketing. As HTA currently operates, there are real efficiencies and benefits to a centralized agency totally dedicated to managing and marketing tourism, which makes it easier for the needs of the Maui tourism industry and Maui residents to be reflected in marketing and tourism management activities. That as written, SB 1065 SD1, will make it more difficult for Maui, that there will be added administrative and procurement costs, and that the bill would likely not yield its intended outcome of enhancing tourism management and marketing, but would actually hinder our success on this front. HTA is two (2) years into a five (5) year strategic plan and coming off the heels of the pandemic, we need their continued leadership and market experience in guiding us forward. We ask this committee to continue to allow HTA to work on its strategic plan and provide the support needed.

This proposed bill could potentially cause irreplaceable harm to HTA and Hawai'i as a destination.

**For these reasons, HHA opposes SB1065 SD1.**

Mahalo for the opportunity to provide this testimony.

Lahela Aiwohi, VP

Hawai'i Hotel Alliance



February 15, 2022

The Honorable Glenn Wakai  
Chairman, The Senate Committee on Energy, Economic Development and Tourism  
Hawaii State Capitol Room 407

Regarding: Testimony in **Opposition of SB 1065 SD1**

Aloha Chair Wakai, Vice-Chair Misalucha and members of the Senate Committee on Energy, Economic Development and Tourism,

Thank you kindly for the opportunity to provide comments on behalf of the American Hotel and Lodging Association in opposition to SB 1065 SD1.

For more than 100 years, the American Hotel & Lodging Association (AHLA) has been the foremost representative of and advocate for the U.S. lodging industry. We advocate for our members so they can do their best at what matters most: serving guests, employees and their communities. With more than 150 members in Hawaii representing 110,000 employees, this is a job we take very seriously.

For several years now, the Hawaii Tourism Authority has worked diligently towards striking the right balance of community engagement, destination management, and strategic marketing in the fulfillment of their stated mission “To strategically manage Hawaii tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires, and visitor industry needs.” HTA has worked in full-sunshine to engage industry and community stakeholders in the rollout of their destination management action plans, recruited and promoted key-staff members to meet the demands of the organizations’ kuleana, and begun the difficult work of implementing their 5 year strategic plan, all in the wake of COVID-19.

Throughout the pandemic, the leadership demonstrated by HTA was crucial to our Hotel community. More importantly, the administrative resources, institutional knowledge, and statutory authorities vested to HTA made their role in navigating our industry through this crisis possible. As proposed, SB1065 SD1 would decentralize HTA’s authority to act in a crisis like the pandemic, increase the costs of our State’s strategic marketing efforts, and





further muddy the relationship between the State's legitimate tourism industry and our residents.

We appreciate the valuable work that you and your committee have been doing to ensure that Hawaii's tourism industry continues to thrive as additive and integral to our kamaaina communities. To this end, we believe the passage of SB1065 SD1 would be incongruent with the measure's and your committee's stated objectives and would be harmful to Hawaii's hotels and the communities we serve.

The AHLA team is available to respond to any information requests that you or your team may have. Thank you for your continued leadership on behalf of Hawaii's visitor industry, our hotel owners, operators, and our many valuable employees, and mahalo for your consideration of our community's respectful request that you defer action on SB1065 SD1.

Me ka pono,

Kekoa McClellan  
Spokesperson, AHLA Hawaii

**LATE**

February 15, 2022

The Honorable Glenn Wakai  
Chairman, The Senate Committee on Energy, Economic Development and Tourism  
Hawaii State Capitol Room 407

Regarding: Testimony in **Opposition of SB 1065 SD1**

Aloha Chair Wakai, Vice-Chair Misalucha and members of the Senate Committee on Energy, Economic Development and Tourism,

Thank you for your consideration of Outrigger's testimony in opposition to SB 1065 SD 1. For over 70 years Outrigger Hospitality Group has owned, developed, and operated resort properties in Hawaii. Our founders Roy and Estelle Kelley transformed leisure vacationing in Hawaii, and Roy Kelley is often referred to within the visitor industry as the "Father of Hawaii's Modern Tourism." Today, Outrigger Hospitality Group continues the legacy of our founders with a global vision for hospitality based innovation, effective partnerships, and a deep respect for culture, tradition, and environmental sustainability. To this end, our enterprise has a deep appreciation for the intent of SB 1065 SD 1, which places an appropriate emphasis on the quality of the strategic marketing and tourism management responsibilities of the Hawaii Tourism Authority (HTA). Despite this nexus to a healthy tourism economy for all of us who call Hawaii home, as written SB 1065 SD 1 will erode public trust in Hawaii's hotel industry and hinder our ability to curate effective marketing programs designed to educate and engage respectful tourism in our State.

HTA's has played a central role in managing the impacts of the pandemic on the hotel industry and our communities. As proposed, SB 1065 SD 1 guts HTA of the resources and statutory authority requisite to remain at the forefront of combating the impact that this pandemic has had on our industry and on the communities that we serve.

As one example, Outrigger's investment in safety has been second to none throughout this pandemic. Across our enterprise we have implemented "Outrigger's Clean Commitment" - a comprehensive program of safety protocols and standards designed to keep our hotel employees, guests, and the neighborhoods around our hotels safe. Our Clean Commitment allowed Outrigger to make the strategic decision to keep a few of our properties open throughout the pandemic to support the needs of our National Guardsmen,

first responders, government employees, and kama'aina in need of transient accommodations, even though the cost of keeping those properties open was substantially more than shutting down during the Statewide closure. HTA worked hand in hand with the hotel industry to ensure that our safety protocols were validated by the State Department of Health, that hotels were deemed essential businesses and could continue to operate for these purposes, and to provide real-time technical information, situational awareness and leadership as our enterprise dealt with the fallout of this ever-changing pandemic. As written, the changes proposed by SB 1065 SD 1 would render it impossible for HTA to continue serving as a collaborative leader in shepherding the tourism industry and our State through this pandemic. This is equally harmful to our industry, our employees and our residents.

The Outrigger Way is centered on our company's belief that relationships should be formed with unwavering trust, dignity and deep mutual respect. Our values and our commitment to our clients, property owners and employees are something we take very seriously. That's why we invest heavily in the quality of the work experience for our employees, pay our property taxes at a rate four times that of residential properties, and are actively engaged in managing our State's most precious economic resource, our Tourism product and the people who work in it.

Our enterprise relies heavily on data, programmatic resources and coordination provided by HTA in fulfilling their mission to *"Strategically manage Hawai'i tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires, and visitor industry needs."* Without their good work, we can't efficiently do ours. HTA has done an excellent job of engaging local communities, policy makers, and industry stakeholders in curating county specific destination management action plans that are now being implemented in real time. These thoughtful, community-led plans will be wholly disrupted with the passage of SB 1065 SD 1, discarding the industry and community objectives outlined in these well resourced and coordinated plans which are well underway to improving resident sentiment and enhancing our quality of life.

We appreciate your consideration of this articulation of a sampling of the concerns that we have with SB 1065 SD 1, and we urge your committee's deferral of SB 1065 SD1.

Mahalo,



Jeff Wagoner

CEO, Outrigger Hotels & Resorts

**LATE**

**SB-1065-SD-1**

Submitted on: 2/15/2022 3:43:32 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Laura Richards	Testifying for Hanalei Colony Resort	Oppose	No

Comments:

To The Senate

The Thirty-First Legislature

Regular Session of 2022

Regarding Bill: SB1065

To Whom It May Concern,

I have read the proposal and completely disagree with some of the proposed measures.

In particular SB1065 which HTA receives only 3 percent of the budget to oversee State of Hawaii marketing practices. Their current budget is higher and this could derail and weaken the Hawaii brand.

By allocating funds to each island Economic Development will cause island competition and break down the long work HTA and HVCB have done to build Hawaii Branding. This work has been in progress for many years and the results have been very positive.

HTA has taken the state to a new level on responsible tourism. This has been a global marketing effort and has shown to be positive. Many programs have been developed from this work to include Hawaii Tourism , USA, Hawaii Tourism Japan, Hawaii Tourism, Canada and more. The development of Aloha Aina , Community Enrichment, KuKulu Ola Programs are among of few programs.

Kauai started the Kauai Strategic Plans about 5 years ago. It was positive and productive. From this we now have a DMAP program for each island to explore the individual needs, strengths and positive changes for the future. A lot of time and money has been expended to start this program and to derail it before we see results is unproductive.

I have been involved with KVB, HVCB, HTA and HTLA for 37 years. It is of my opinion that bill SB1065 SD1 should not pass. Strength is in numbers and all islands working together in collaboration with HTA is much healthier and more productive going forward.

Hanalei Colony Resort and myself oppose SB1065 SD1.

Sincerely,

Laura Richards

**LATE**

**SB-1065-SD-1**

Submitted on: 2/15/2022 3:44:52 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Thomas Nast III Fairbanks	Testifying for The Old Wailuku Inn at Ulupono	Oppose	No

Comments:

Please do not support this bill. Anyone that knows anything about marketing a state for tourism and also the millions we have spent marketing our state for the past 100 years a certain way.

This measure would essentially eliminate how visitor marketing is handled for the State and create inconsistent messaging. It will also add another layer of bureaucracy and cost as each county may not be equipped to handle this unfamiliar territory and ultimately hire an outside contractor to implement. Beginning in 2020 and through 2021, HTA engaged with the community, stakeholders, and government agencies throughout the State to craft each county's current Destination Management Action Plans (DMAP). Each county DMAP and island-specific marketing are currently handled by Hawaii Visitor and Convention Bureau (HVCB), with chapters on every island. We would ask the Committee to give the Destination Management Action Plans, and HVCB continued oversight of work that has already begun and that they have expertise in. This proposed measure will jeopardize the cohesiveness of The Hawaiian Islands brand and potentially cause irreparable harm to HTA, our partners, and Hawai'i as a destination.

Sincerely

Thomas Fairbanks

Owner the Old Wailuku Inn at Ulupono

Testimony of  
Rob Robinson  
Vice President  
Springboard Hospitality

**LATE**

Senate Committee on Energy, Economic Development, & Tourism  
Senate Bill 1065, SD1: Relating to the Department of Business, Economic Development, and Tourism  
February 16, 2022

Chair Wakai and members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of Springboard Hospitality. Springboard Hospitality is a locally-owned company that operates 11 hotels across the Hawaiian Islands.

Springboard Hospitality **strongly opposes Senate Bill 1065, SD1.**

As it is currently written, this measure would strip the Hawai'i Tourism Authority of any control or oversight of its destination marketing with its emphasis on the Destination Management Action Plan process, and would divert these funds to each of the counties. While we understand and respect that the counties' may have unique goals surrounding tourism, it is extremely important that the state has a cohesive and coordinated destination marketing plan.

From a purely logistical standpoint, splitting marketing funds among the counties and asking them to pursue their own marketing campaigns would put them in an unfamiliar position for which the county development offices are not equipped. Moreover, dividing the marketing funds among the four counties would result in four, significantly smaller, county media buys which will hold far less leverage than that of an entire state in a premier tourism destination, and will significantly limit our marketing capabilities.

Most recently, when the counties were given the authority to "create their own rules" during the pandemic, the tourism business experienced an unprecedented amount of confusion. While you may think this is not a great comparison, I would argue that each county acting in their own best-interest was the very cause for the consumer confusion. If Senate Bill 1065 is enacted, we will find ourselves in a very similar situation where the marketing messages will be jumbled, and planning the trip of a lifetime to our beautiful state will just become too confusing and harmful to tourism in the long run.

The state simply must have a cohesive marketing effort to the global community. Thank you for the opportunity to offer this testimony.

Sincerely,  
Rob Robinson  
Springboard Hospitality

**LATE**

**SB-1065-SD-1**

Submitted on: 2/15/2022 6:06:47 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Gregg Nelson	Testifying for Napili Kai Beach Resort	Oppose	No

Comments:

Dear Chair and Energy, Economic Development and Tourism Committee members,

I wish I could speak with you face to face but for now my written testimony will have to suffice. I am the general manager of a 60 year old resort on Maui, employing 160 of Maui's best citizens. Regarding SB 1065, I am not only opposed to this bill but vehemently opposed to it. This bill takes marketing funding out of the hands of those seasoned professionals who know how to market Hawaii and have done so for decades and instead places that same funding in the hands of inexperienced County governments that have no business managing and directing tourism related funds.

To me, this bill appears to be nothing more than a recipe for failure and sadly, that failure would result in further damage to our already fragile tourism efforts. We all claim that tourism is the economic engine for Hawaii's economy but a bill such as SB 1065 does not reflect that belief and instead displays a complete disregard for this very important aspect of our economy.

There are those that state we need to diversify the economy away from tourism. I don't disagree with diversification, however, I have been a resident of this State since 1978 and every time there has ever been a downturn in tourism that negatively impacts the economy, there is always that same cry, "we need to diversify the economy". Guess what, it never happens to any level that we could say that we have diversified the economy. Each time, we just continue to rely on tourism and until a reliable replacement for tourism is developed, we need to take very good care of that which has allowed us to prosper, tourism.. There is nothing wrong with continuing to rely on tourism but there is something terribly wrong with redirecting funding away from the HTA and HVCB professionals only to give it to County governments who have no experience in this business. HTA and HVCB have done a great job in the last few years with engaging the community and other stakeholders in the development of the Destination Management Action Plans and they deserve your continued support on these efforts.

If you truly recognize the importance of tourism to our economy, then you must give it the attention it deserves and vote NO on SB 1065. Thank you for your consideration.

Gregg Nelson, general manager, Napili Kai Beach Resort





HAWAI'I LODGING & TOURISM  
ASSOCIATION

**LATE**

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

Senate Committee on Energy, Economic Development, & Tourism  
Senate Bill 1065, SD1: Relating to the Department of Business, Economic Development, and  
Tourism  
February 16, 2022

Chair Wakai, and members of the Committee, mahalo for the opportunity to submit testimony on behalf of the Hawai'i Lodging & Tourism Association, the state's largest private sector visitor industry organization.

The Hawai'i Lodging & Tourism Association—nearly 700 members strong, representing more than 50,000 hotel rooms and nearly 40,000 lodging workers—opposes Senate Bill 1065, SD1, specifically part III, as it would unnecessarily fracture statewide tourism marketing funding and would further hamper efforts to better manage tourism in a way that would bring high quality, respectful visitors to our shores.

As it is currently written, this measure would strip the Hawai'i Tourism Authority of any control or oversight of its destination marketing with its emphasis on the Destination Management Action Plan process and would divert these funds to each of the counties. While we understand and respect the counties' goals surrounding tourism, this type of fracture could ultimately lead to a convoluted and erratic marketing message devoid of any sense of uniformity. We can all agree that marketing plays an integral role in the type of traveler that is attracted to Hawai'i, and we are all after the ideal visitor profile—one who comes to our state, stays at local resorts and hotels, spends a high dollar amount in local restaurants and business, and is committed to being respectful of our natural resources, culture, and people. The alternative would be the extractive, exploitative visitors that have flamed negative attitudes toward tourism in Hawai'i.

From a purely logistical standpoint, splitting marketing funds among the counties and asking them to pursue their own marketing campaigns would put them in an unfamiliar position for which the county development offices are not equipped. Much like the rollout of the county Transient Accommodations Tax surcharge, these offices will be forced to take on entirely new responsibilities and could be forced to hire contractors to oversee these processes. Moreover, dividing the marketing funds among the four counties would result in four, significantly smaller, county media buys which will hold far less leverage than that of an entire state in a premier tourism destination and will significantly limit our marketing capabilities in the long run.

Considering this issue in its totality, statewide marketing driven by organizations including the Hawai'i Visitors & Convention Bureau, and the county visitor bureaus—which has decades of experience and institutional knowledge—is the best path forward for both the local tourism industry

and the statewide community as fully developed and cohesive marketing campaigns are critical to both economic stability and effective tourism management.

**For these reasons, HLTA opposes Senate Bill 1065, SD1.**

Mahalo for the opportunity to provide this testimony.

**SB-1065-SD-1**

Submitted on: 2/12/2022 9:47:18 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Briana Rodrique	Individual	Support	No

Comments:

I strongly support this bill.

**SB-1065-SD-1**


Submitted on: 2/13/2022 7:02:02 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
carol lee kamekona	Individual	Support	No

Comments:

We don't need to sell our Islands! They speak for themselves. TOO MANY people want to live here because of our warm Weather, beautiful oceans and loving culture. Well that culture is quickly disappearing with all the genocide and bastardization being done to its indigenous peoples. Tourism needs to be curtailed! Tourism needs to benefit these Islands and its people! Tourism needs to give back! For too long tourism has taken! We need Management NOT Marketing! I campaigned in the 2020 election for Diversified Tourism. Suggesting that hotels promote outings for tourists to give back to the Community and learn about the culture at the same time through shoreline restoration, loko 'ia restoration and working in the lo'i. In return the hotels could provide a free meal or free night's stay. I read an article last month in Civil Beat that HTA was proposing that idea. I'm Glad someone took me up on that idea.

Mahalo! 

**SB-1065-SD-1**

Submitted on: 2/13/2022 12:34:26 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
mary drayer	Individual	Support	No

Comments:

recognizing the need for tourism in our economy - but also realizing the loss of our indentity as a culture - i strongly support evolving from a money driven goal to preserving and honoring our culture - i believe we can definitely have both - continuing in the money driven vein will lead to 'killing the goose that lays the golden egg' - Ku Kia'i 'Āina - mahalo for the opportunity to testify

**SB-1065-SD-1**

Submitted on: 2/14/2022 5:46:07 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Scott Young MD	Individual	Support	No

Comments:

Aloha Sen. Wakai,

Mahalo for hearing SB 1065 as we really need to manage tourism as opposed to market it as we really are in a situation of unsustainable tourism and therefore I support changing the mandate of the Hawaiian Tourism Authority to manage rather than market tourism. Management is not in their current job description and must be added to make this possible to give the organization the direction I believe the majority of the population wants. We must have Regenerative Tourism to be Sustainable.

Mahalo,

Genesis S. Young MD

**SB-1065-SD-1**

Submitted on: 2/15/2022 7:51:30 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Joy Kaaz	Individual	Support	No

Comments:

I am submitting this testimony in favor of SB1065, tourism management. Tourism in Hawai'i is a necessary to help support our economy. Unfortunately our islands are now being overwhelmed by tourism, using our limited resources and destroying our quality of life.

With regards to Maui, where I live, the county plan of 2012 specifies that tourists will be limited to 1 tourist for every 3 residents, that number is currently much closer to 1 tourist to every 2 residents. This has placed an undue burden on water usage in the midst of a drought, our sewage system, dumping thousands of improperly treated sewage into our coastal waters daily, roads, traffic and causing damage to our beautiful beaches and forests, including our flora and fauna. This has had a severe negative impact on our quality of life.

The HTA has shown themselves to be very adept at marketing to bring tourists to Hawai'i, but appears unable to manage them and the destructive impact they have on our islands once they arrive. Changing the focus from marketing to sustainable management is an imperative if we are to preserve our unique beauty and sustain a manageable level of tourism for the future. If our beaches, forests and infrastructure are destroyed by over-tourism, we will have essentially killed a major economic resource for our state, not to mention significantly degraded the quality of life of that makes Hawai'i so attractive for both residents and tourists.

I urge you. to vote yes on this bill, and change the focus from marketing to sustainable management.

Sincerely,

Joy Kaaz

**SB-1065-SD-1**

Submitted on: 2/15/2022 10:06:18 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Chandra Bertsch	Individual	Oppose	No

Comments:

Oppose this bill due to broad overreach and mixed messaging. HTA already is implementing these measures. Diverting money to the counties is not effective.



**SB-1065-SD-1**

Submitted on: 2/15/2022 11:07:44 AM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Kaiulani Blankenfeld	Individual	Oppose	No

Comments:

Aloha kākou,

I oppose SB1065 SD1 as it includes irresponsible actions that will have a direct negative impact on the work that HTA, our individual Counties and Communities have been working on to mālama - care for our Islands, culture, natural resources, lifestyle, and how Hawai'i is marketed to the world.

I grew up in Hawai'i working in the travel and hospitality industry in a time when visitors came to Hawai'i to "see" Hawai'i and enjoy the beautiful beaches and ocean. Fast forward fifty years and our visitors want to "experience" Hawai'i, which means to touch things they probably should not be touching, explore things and places they probably should not be going, and often doing so in ways that negatively impact landscapes and natural resources, and putting themselves and others in danger. My family, friends and I have sadly witnessed firsthand too many disrespectful actions of our visitors to our 'āina, culture and people (natives/those born here, residents/those that have relocated here, and our winter residents). And this is only on Hawai'i Island and in our own communities. I will agree that it is a small portion of visitors, but it is enough that it continues to put our place and people at odds with our industry, an industry Hawai'i needs. We must continue to have programs to educate our new residents and visitors about Hawai'i, our history, culture and how we care for this beautiful place we call home. Doing this collectively, rather than individually supports a unified approach and message. HTA is a valuable organization and link for our Island to continue guiding the conversations and vision for our Island home and these important relationships.

The work that our Counties and Communities are doing is greatly to the benefit of positive relationships with HTA and the 'āina they have deep relationships with.

To the creators of SB1065 - Because you do not live in the communities that are benefiting from the work that HTA is doing, or work in the jobs that HTA supports, or mālama cultural and natural resources that HTA helps to protect and perpetuate, please do not turn your backs from the 'āina and culture, history and all of our native families we all have a responsibility to protect and perpetuate. HTA has been responsible and prudent in their management of the resources they are given and have only served to take Hawai'i and the marketing of our Islands to greater places than I have seen in my 53 years in this industry.

HTA must have autonomy to manage the budget they receive, which has already been negatively impacted.

I fully concur with and support HTA in **opposing** SB 1065 SD1:

- This bill includes best practice destination management and regenerative tourism under the scope and responsibilities of the Hawaii Tourism Authority (HTA). (See page 4 and page 7 of the bill)
  - HTA supports updating HRS 201B with definitions for “destination management” and “regenerative tourism.” However, including it as SB 1065 SD1 which aims to destroy many decades of hard work to preserve and protect Hawai‘i’s brand is not the right approach. There are many other measures being proposed in both the House and Senate that could be utilized to incorporate these definitions into our statute. It should also be noted that we are currently doing this with the destination management action plans underway.
  
- This bill requires HTA to develop a tourism management plan that includes tourism marketing, best practice destination management, and regenerative tourism. (See pages 10-17 of the bill)
  - HTA also supports updating HRS 201B, however, there is another measure (SB 2077) which proposes similar changes and that should be utilized to insert this language rather than including it in this measure. Again, we have developed the destination management action plans which are being implemented. We have directed our Global Marketing Team (i.e. Hawai‘i Tourism USA, Hawai‘i Tourism Japan, Hawai‘i Tourism Canada, etc.) to target the “mindful” travelers and to educate potential visitors pre-arrival about responsible and respectful travel and mālama Hawai‘i. We also have programs that support regenerative tourism like Aloha ‘Āina, Community Enrichment, and Kūkulu Ola programs.
  
- This bill requires HTA to allocate most marketing moneys (97%) to the respective county economic development offices for visitor marketing contracts and nonprofits that benefit the county. This percentage being allocated to the counties will be determined based on the percentage of visitor arrivals during the previous fiscal year. The remaining 3% will remain with HTA to administer the funds to the counties. (See pages 18-19 of the bill)
  - HTA **does not support** this portion of the bill. This will derail and dangerously weaken the Hawai‘i brand. We have worked tirelessly with our partners to protect and preserve Hawai‘i’s brand for more than 2 decades. The proposed measure will jeopardize the cohesiveness of The Hawaiian Islands brand and potentially cause irreparable harm to HTA, our partners, and to Hawai‘i as a destination. In addition, the funds to the counties would be based on the percentage of visitor

arrivals in each county. This would encourage the counties to compete between each other and the communities they serve. The HTA has pivoted away from increasing visitor counts as a key performance indicator.

Please consider this testimony and open your eyes and vision, in supporting the work that is ongoing to improve how Hawai'i is marketed, our Malama Ku'u Home, Mālama Hawai'i, and Pono initiatives through the direction of HTA, and the continued protection of our 'āina, natural resources, culture, cultural sites and people. This bill is cloaked with actions that will have dangerously negative impact on our beloved island home, how the rest of the world perceives Hawai'i our history, cultures and our people, programs that mālama our 'āina, cultures and people - *all of our cultures and people*.

E pono kākou! Please reconsider this and do the right thing for the greater good and care of our island home and amazing cultures and people.

Mahalo,

Ka'iulani Blankenfeld

68-1694 Laie Street

Waikoloa, Hawai'i 96738

**SB-1065-SD-1**

Submitted on: 2/15/2022 12:17:05 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Micheal SC Rompel	Individual	Oppose	No

Comments:

Senate Committee on Energy, Economic Development, & Tourism  
Senate Bill 1065, SD1: Relating to the Department of Business, Economic Development, and Tourism

February 15, 2022

Chair Wakai and members of the Committee, thank you for the opportunity to provide testimony on this measure.

The COVID-19 pandemic exposed numerous weaknesses in our local economy. Perhaps more than anything, it illustrated how important it is for the various levels of government on each island to be in lockstep with one another. Throughout the pandemic and our ongoing economic recovery, we have seen mixed messaging and confusion that has negatively impacted the efforts of the local tourism industry. For example, when one county makes an announcement related to crisis response or heightened restrictions, there tends to be a misperception by prospective visitors that the whole state is affected.

As we look to move past the pandemic, it will be critical that Hawai‘i has a cohesive, statewide marketing strategy that targets our ideal visitors, and this will be all the more difficult to achieve with four, separate counties each pushing its own marketing initiative.

From a purely organizational perspective, dividing the State’s marketing budget and allocating these monies to the counties will drastically diminish our buying power. Moreover, splitting this work between the counties will ultimately lead to

higher administrative costs as the four county development offices will now be tasked with responsibilities that are currently consolidated in a single agency.

**As such, I oppose Senate Bill 1065, SD1's language to move HTA marketing funds to the counties.**

Mahalo.

Micheal SC Rompel

**SB-1065-SD-1**

Submitted on: 2/15/2022 12:54:25 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Mara Hanson	Individual	Support	No

Comments:

I am writing as a constituent residing on the island of Oahu in support of the change in focus from tourism marketing to tourism management. So I do support this bill as a first step in that direction.

Honestly, though, the bill need to go farther. And there needs to be some sort of "teeth" added to this. Rather than management and stewardship being a heavy suggestion, it needs to be a mandate. The pandemic has also taught us that we need to allow for community health concerns to be factored into our tourism management efforts.

I would personally like to see the DLNR play a much greater partnership role in the enforcement of good stewardship, perhaps by making them the "policing" force in this effort. Providing that organization funding for an investigative arm that could assist the HTA in holding hospitality providers accountable when they allow environmental or social harms to go unchecked by the visitors they serve, for instance. I would also like to see mandates to proactively enact stewardship programs enforced on the hospitality businesses lucky enough to be allowed to do business here. This should be a condition of the privilege to continue doing business in our state. We need to stop allowing our state to be the dependent victim of the hospitality industry, and start taking control of and regulating the businesses which are fully dependent upon the state of Hawaii to allow them to continue to operate here.

The Director of the DOH, or her or his representative, should also be a part of the monthly advisory group proposed in this bill. Hawaii sees visitors from around the world. Even before the start of this current pandemic, this factor led to us having the longest Influenza season in the U.S. This is why we have had an Influenza surveillance program for many decades. And, with the reality that SARS-CoV-2 - and all of its future variants - will be a concern to deal with for the next 5+ years, the risks of visitor imported health concerns needs to be factored in while developing our tourism management plans.

Tourists have come to Hawaii for many, many decades. Far longer than the HTA has existed. And, frankly, the tourists that I remember visiting before the HTA was created were far less damaging, more respectful, and more interested in some of the culture of this place...even if they were easily confused about what was truly Hawaiian and what was a stereotypical trope of general "Pacific Islander".

Again, I support the change in focus from tourism marketing to tourism management that this bill could usher in. But I believe it is just a first step. And I believe that far more of the onus, the kuleana, of stewardship needs to be enforced on the hospitality operators we graciously allow to do business here.

Mahalo in advance for your consideration of my comments. I look forward to seeing the improvements that this new focus will bring to our state and it's people.

**SB-1065-SD-1**

Submitted on: 2/15/2022 1:51:47 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Patricia Ravarra	Individual	Support	No

Comments:

Finally, a plan to reign in the rampant hyping of Hawai'i as the world's playground with no regard for her people or her environment! While I agree that it is absolutely necessary, I would rethink the bit about "tourism marketing" because Hawai'i no longer needs to spend money on this: not only the respective airlines and hotel chains, but all of the AirBnB and VRBO rentals are marketing Hawai'i, along with the hordes of so-called "influencers." They're doing a bang-up job of selling us to the world, so HTA doesn't need any more funding for that.

That HTA be required to engage in "best practice destination management" is the answer to our local residents prayer, since the rampant overtourism that has resulted from HTA's urgings is now at a breaking point, and desperately needs to be addressed. How that and "regenerative tourism" are to be managed raises questions, though, of who is going to develop the plans for these actions. Since the current staff and management of HTA are responsible for the mess we find ourselves in today, how can they be trusted to create means by which to heal the wounds their overzealous salesmanship they, themselves, brought about? I would strongly urge the legislature to consider including language that would support the introduction of "new blood" with newer and more progressive ideas about how to manage and regenerate.

I wholeheartedly support the requirement to allocate most marketing moneys to the respective county economic development offices for visitor marketing contracts and nonprofits that benefit the county, but would switch the priorities slightly, earmarking funds "for nonprofits that benefit the county and for visitor marketing contracts." Let's put the people of Hawai'i first, for a change. Given all the advertising by all of the aforementioned entities, Hawai'i can afford to look to the needs of the people of Hawai'i first -- and foremost.

I therefore submit my request for a "Yes" vote on measure SB1065 SD1.



Aloha Chair Wakai, Vice Chair Misalucha, and committee members.

Thank you for the opportunity to testify today on SB 1065/SD 1. I am testifying in opposition to the bill as it is currently drafted.

I have previously submitted testimony to this committee in support of SB 2170, a bill which seeks to identify best practices in tourism governance applicable to Hawai'i's need to manage tourism in the long run. I continue to believe that the state needs to carefully consider how to put an effective governance structure for tourism into place by studying best practices on tourism management before making the kinds of changes proposed in SB 1065.

The bill's suggested language changes to HRS 201B emphasizing HTA's role in destination management are not objectionable and are, in fact, consistent with HTA's current strategic plan and related initiatives. However, the proposed changes to the structure and funding of Hawai'i Tourism Authority proposed in SB 1065 are objectionable for several important reasons:

- The proposed review of global tourism best practices envisioned in SB2170 should be the starting point for an assessment of Hawai'i's governance structure. SB1065 would enact a significant change to tourism governance and funding without considering best practices, proven alternatives and learning from other destinations
- Broadscale, statewide marketing is an integral part of effective destination management. Targeting "mindful travelers" and establishing Hawai'i's brand as a culturally rich, environmentally fragile destination can be accomplished most efficiently with statewide rather than county-specific messaging.
- Specifying a formula for allocating marketing dollars by county limits strategic flexibility. In the past, we have seen situations requiring the shifting of marketing emphasis to respond to changing conditions. Recently, for example, Hawai'i island required additional marketing support in its efforts to recover from the downturn caused by volcanic eruptions. Fixing marketing allocations by island does not allow for the state to easily seize opportunities or respond to threats in a dynamic marketplace.
- Developing international markets (those major market areas apart from the US, Japan, and Canada) have been an integral part of Hawai'i's marketing programs because visitors from these markets have beneficial spending and behavior patterns. Managing these markets has been accomplished through contracts with experienced in-country marketing firms. Disbursing the marketing function to the counties would make it difficult if not impossible to develop effective international programs.
- The Hawai'i Tourism Authority already has a structure in place to provide marketing support for each of the islands through the island chapters of its contractor, the Hawai'i Visitors and Convention Bureau. These chapters are physically located on-island and have close contacts with both the community and visitor industry in their respective counties. Additionally, the HTA has just completed its series of Destination Management Action Plans (DMAPs) which involved extensive community input and for which the island chapters will be significantly involved in implementing. If the intent of the amendments proposed in SB 1065 is to ensure the counties have "greater control of its own visitor industry" this can be accomplished within the existing structure of HTA.

- Unlike the Hawai'i Tourism Authority and the island chapters of the Hawai'i Visitors and Convention Bureau, the county economic development offices do not have experienced staff in tourism marketing. They are also tasked with supporting a wide range of other economic initiatives. Unlike the economic development offices, HTA and its contractors have a singular focus on tourism and destination management.

I have cited just a few of the many reasons why I believe moving tourism marketing functions and funding to the county economic development offices is premature (pending an assessment of best practices in tourism governance from other destinations) and likely to result in a loss of effectiveness and strategic flexibility.

I would be happy to answer any questions from the committee. Mahalo for the opportunity to provide this testimony

**SB-1065-SD-1**

Submitted on: 2/15/2022 2:36:07 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Sarah K. Hofstadter	Individual	Support	No

Comments:

Hawai'i does NOT need to be "marketed" using residents' tax dollars. Our state is one of the most well-established tourist destinations on the planet. Hotels, airlines, conference organizers, and travel publications give us more than enough publicity for free. We already attract more visitors than our limited infrastructure can adequately handle. If we continue to increase visitor numbers with no regard for the consequences to our water supply, waste management infrastructure, ecosystems, and quality of life, we will ruin the physical beauty and aloha spirit that attract people here in the first place.

What Hawai'i DOES need is much better management of tourism. We need ways to keep popular sites from being overrun and/or damaged by excessive numbers of visitors. We need trained, licensed guides who can educate visitors about our history and culture while discouraging them from engaging in damaging, disrespectful behavior at cultural and sacred sites and in residential neighborhoods. We need more ocean safety and environmental education, and expanded lifeguard coverage, at all beaches frequented by visitors, especially in resort areas. We need better enforcement of regulations governing short-term rentals, bed-and-breakfast hosting, and the latest fad of renting camper vans to visitors without legal campground reservations. Those are the only kinds of purposes for which our tax dollars should be used.

Residents overwhelmingly support better tourism management. If HTA is to have any continued entitlement to our tax dollars, it MUST be converted into an agency whose SOLE purpose is to find creative ways to manage tourism with the goal of preserving our islands' beauty, the sustainability of our economy, and residents' quality of life.

TESTIMONY  
OF  
COLIN D. MOORE, PH.D.

TO THE SENATE COMMITTEE  
ON  
ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

February 16, 3:10 PM

SENATE BILL 1065, SD 1  
RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

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**Position: OPPOSE**

Aloha Chair Wakai, Vice Chair Misalucha, and Committee Members:

I testify today in opposition to SB 1065, SD 1. The bill's proposal to allocate 97 percent of marketing funds to each county's economic development office is unwise for the following reasons:

- Any changes to the structure of HTA should begin with a careful review of global best practices, such as the study proposed in SB 2170.
- The most effective way to target high-value travelers is through a coordinated state-wide campaign. This bill will make such a targeted campaign far more difficult to execute because funds will be split among the counties.
- Allocating nearly all marketing funds to each county will reduce the ability of the State to respond to changing conditions in the market or to reallocate funds to counties when they require extra support.
- Marketing Hawai'i to international visitors requires robust partnerships with in-country firms. Individual counties will likely lack the expertise and resources to secure the contracts that are necessary for effective international marketing campaigns.

I have no objections to the bill's proposed changes to HRS 201B that would emphasize HTA's role in destination management and regenerative tourism.

Thank you for the opportunity to provide testimony.



February 15, 2022

Committee on Energy, Economic Development, and Tourism  
The Senate of the Thirty-First Legislature of Hawaii  
Regular Session of 2022  
Senator Glenn Wakai, Chair  
Senator Bennette E. Misalucha, Vice Chair

Re: SB 1065 SD1 Relating to the Department of Business Economic Development and Tourism

Dear Senators Wakai and Misalucha and committee members,

I have read through this proposed legislation. The views I express here are my own, but I don't think my views do an injustice to views of some of my colleagues in tourism market research and tourism economic research with whom you will be acquainted, and with whom I have collaborated. Still, this is my own professional and personal view.

I think that this bill is not well-grounded in recent evolution of views on destination management and—more broadly—on tourism governance. It reflects some elements of the emerging literature, and has obviously glommed on to the new groove thang, “regenerative tourism.” It reminds me a little of sustainability, about which Robert Solow observed, “the less you know about it, the better it sounds.” Destination management and tourism governance are works in progress, I get that. This bill tries too hard to reach a conclusion to a problem many in management and governance positions still struggle to understand. This is a “Ready, Fire, Aim” bill. Too soon. Too sure of itself.

Specifically, this bill literally replaces the word “marketing” with the word “management” in several places, substituting destination management for destination marketing.

Destination management is not a substitute for destination marketing.

As written this bill gives the impression that the time has arrived to reassign the latter to county governments (because of their bench strength?), and to pretend that institutions tasked with marketing flip a switch and become natural resource managers.

I am not an expert in destination marketing, but I collaborate with experts, and my impression is that a better job could be done. The experts know specific ways to improve marketing, I do not.

However, I do know that destination management as I understand it is not being done well if at all. I am talking about modulating the unintended, uncompensated costs (or benefits) arising from tourism as an economic activity. Congestion is one example. Natural resource degradation is another. Cultural dilution is a third.

However, tourism is not *uniquely* associated with congestion, environmental externalities, or cultural inauthenticity. Maybe the culture police can work on whether Reggae is legitimately Jawaiian, but as for economic approaches to mitigate congestion and resource degradation there is a long list of superior alternatives to putting the Hawaii Tourism Authority in charge.

You would not put the Hawaii Department of Land and Natural Resources in charge of managing state airports.

Nor would it be logical to put Airports Division of the Hawaii Department of Transportation in charge of generic tourism destination marketing. I mean, tourists get on airplanes, no duh. That doesn't make Airports Division the marketing designee.

Tourists use public recreational natural resources such as trails and beaches, but residents do too, more than tourists, IMHO, and for six months of 2020 it was *only* residents. I don't remember any environmental problems being solved as a result of not having tourists. People still had to be plucked off the mountain behind my house by the yellow helicopter. 4X4 trucks still churned up the mud at the not-an-official-trail *ad hoc* parking lot at the top of Old Pali Road, *etc.* Last I checked, the able public servants of the Hawaii Tourism Authority didn't just wake up with advanced degrees in renewable resource management.

Natural resources need better management, for sure. I personally have had fruitful, multiple conversations with DLNR managers about deploying smartphone apps using GPS for timed recreational user access with dynamic pricing, for example. But we were talking about hikers, not tourists. *Hikers'* impacts on the natural and cultural environment need to be managed, but not by tourism officials. Puh-leaze *not* by tourism officials! If hikers are tourists, they're just hikers. The point is to manage user impacts, to manage recreational natural resources. We have a whole cabinet-level department for that, DLNR. Allocate some funding to them for once, gawfunit. Let the natural resource managers manage the natural resources. Concentrate on enhancing collaboration and cooperation across the silos that now comprise state government, that is, enhance tourism *governance*.

Also, for the record, this is not about whether people are local or not. It's about managing resource use and mitigating unintended and uncompensated resource degradation. And check this out: destination management is not about having less tourism. It's about keeping the option open to have more of it, while ensuring that its external costs are mitigated. We need to mitigate them either way. We aren't, at all. The tourism authority's action plans call for reducing jobs and incomes by *decreasing* tourism, while doing nothing about the externalities. Don't put them in charge.

Keep trying. We've talked, you know what I think. We'll get there. This bill is not it.

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**SB-1065-SD-1**

Submitted on: 2/15/2022 3:26:02 PM

Testimony for EET on 2/16/2022 3:10:00 PM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Eric E Workman	Individual	Oppose	No

Comments:

I strongly oppose this bill because it will severely handicap Hawaii in a ever aggressive global tourism battle. While I understand the State needs to make significant changes in our tourism strategy this is not the right way to do it. We are coming out of a pandemic and will need to be economically viable again soon--stand on our own two feet without Federal support. This is the wrong time to take such drastic measures. The Islands must continue to cooperatively work together to compete on a global stage. Together we stand a better chance of competing--alone we will fail.

HTA is taking significant steps to improve our destination management and implement regenerative tourism practices and programs. Give them time to let those changes take effect.

Please do not do pass this bill!

**LATE**

**SB-1065-SD-1**

Submitted on: 2/15/2022 5:29:27 PM

Testimony for EET on 2/16/2022 3:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Bronsten Kossow	Individual	Oppose	No

Comments:

Aloha Chair, Vice-Chair, and Members of the Committee,

I stand in **OPPOSITION** to SB1065. We need to continue to support HTA and its efforts for branding.

Mahalo,

Bronsten Kossow