

STAND. COM. REP. NO. **2735**

Honolulu, Hawaii

FEB 21 2024

RE: GOV. MSG. NO. 595

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism, to which was referred Governor's Message No. 595, submitting for study and consideration the nomination of:

DIRECTOR, DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

G.M. No. 595 JAMES KUNANE TOKIOKA,
for a term to expire 12-31-2026,

begs leave to report as follows:

Your Committee reviewed the personal history, resume, and statement submitted by James Kunane Tokioka for service as the Director.

Your Committee received testimony in support of the nomination for the appointment of James Kunane Tokioka from Governor Josh Green, M.D.; Hawaii State Energy Office; Business Development and Support Division of the Department of Business, Economic Development, and Tourism; Department of Labor and Industrial Relations; Foreign-Trade Zone Division of the Department of Business, Economic Development, and Tourism; Research and Economic Analysis Division of the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; Hawaii Broadband and Digital Equity Office; Department of Land and Natural Resources; Department of Commerce and Consumer Affairs; Hawaii Green Infrastructure Authority; Hawaii Public Housing Authority; Agribusiness Development Corporation; Hawaii Housing Finance and Development Corporation; Department of Agriculture; Creative Industries Division of the Department of Business, Economic Development, and Tourism;

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Department of Corrections and Rehabilitation; Hawaii Technology Development Corporation; Hawai'i Tourism Authority; Office of Hawaiian Affairs; Department of Hawaiian Home Lands; Department of Law Enforcement; Hawai'i Community Development Authority; Stadium Authority; Department of Transportation; Land Use Commission; Department of Education; Department of Defense; Department of Taxation; Hawai'i Emergency Management Agency; Department of Human Services; Department of Accounting and General Services; Natural Energy Laboratory of Hawaii Authority; Department of Human Resources Development; Department of Health; Office of the Enterprise Technology Services; County of Maui Office of Economic Development; City and County of Honolulu Office of the Mayor; County of Hawai'i Office of the Mayor; County of Kaua'i Office of the Mayor; Hawaii Council of Mayors; Chamber of Commerce Hawaii; Hawai'i Farm Bureau; UNITE HERE Local 5; SanHi Government Strategies, LLP; Iron Workers Stabilization Fund; Hawai'i Hotel Alliance; The Legislative Center, Inc.; Hawai'i Pacific Health; Maui Hotel & Lodging Association; Hawaii Building & Construction Trades Council; Hawaii Medical Service Association; Healthcare Association of Hawaii; Plumbers and Fitters United Association, Local 675; Operating Engineers Local Union No.3; Hawaii Masons' and Plasterers' Unions Hawaii Industry Stabilization Committee; International Brotherhood of Electrical Workers Local Union No. 1186; Operative Plasterers' and Cement Masons' International Association Local No. 630, AFL-CIO; Young Brothers, LLC; Council for Native Hawaiian Advancement; Kauai Chamber of Commerce; West Kauai Business & Professional Association; and thirty-nine individuals.

James Kunane Tokioka has been serving as the Interim Director of the Department of Business, Economic Development, and Tourism since May, 2023. Previously, Mr. Tokioka served as the Deputy Director for the Airports Division of the Department of Transportation and prior to that, served as a New Business Manager for Oceanic Time Warner Cable from 2011 to 2023 where he oversaw management programs and assisted with securing the largest single contract for Hawaii in the State's history. Mr. Tokioka was a Hawaii State Representative from 2006 to 2022, where he served, among other positions, as the Majority Whip, Chair of the Legislative Management and Intergovernmental Affairs Committee, and Vice Chair of Tourism. Prior to that, Mr. Tokioka was the County Council Vice Chairman for the Kaua'i County Council for ten years. Mr. Tokioka has also worked with various hotels and



resorts as an entrepreneur, owner, manager, and director over the course of his extensive career.

Your Committee believes that Mr. Tokioka, with twenty-seven years of leadership experience within state and county governments, and over forty years of business management experience in the hospitality sector, possesses the qualifications to serve as the Director and lead the Department of Business, Economic Development, and Tourism. Further, through his knowledge and experience, Mr. Tokioka has exemplified his ability to foster many collaborative working relationships with policymakers, leaders in the public and private sectors, nonprofit organizations, and communities, which will aid him in coordinating amongst the many stakeholders that work with the Department. Your Committee further notes the considerable testimony in support of Mr. Tokioka's nomination and lauding him as a leader with vast knowledge of economic development, skillful management of business operations, and great vision for the future of the State.

Your Committee further notes Mr. Tokioka's personal statement explaining his vision for the Department of Business, Economic Development, and Tourism to expand the economy, reverse the "brain drain", and grow the State's tax base. To create an economically sustainable State, Mr. Tokioka is focused on diversifying the economy by continuing to work on economic cluster strategies and supporting targeted and emerging industries. Mr. Tokioka aims to accomplish this by ensuring that these industries have the necessary infrastructure in place and that the associated workforce pipelines and housing are developed. While the Department's core divisions and attached agencies each have their annual benchmarks, Mr. Tokioka plans to measure progress by ensuring each division has a strategic plan and by tracking the percentage or share of GDP by industry to measure the Department's ability to reduce reliance on tourism and diversify the State's economy into non-tourism industries. In addition, Mr. Tokioka's goal for the Department is to utilize the Genuine Progress Indicator (GPI) as a measure of not only the State's economic productivity, but it's social, environmental, and cultural impacts. Mr. Tokioka will work with the Department's applicable divisions and attached agencies to measure the State's current GPI model and ensure that it aligns with state and departmental goals. Your Committee therefore recommends that James Kunane Tokioka be appointed as Director of the Department of Business, Economic Development, and Tourism based on his extensive business



knowledge, government experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,


LYNN DECOITE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET
Advise and Consent

Governor's Message No.:* GM 595	Committee Referral: EET	Date: 2-6-24		
<input type="checkbox"/> The Committee is reconsidering its decision				
The Recommendation is:				
<input checked="" type="checkbox"/> Advise and Consent 2340 <input type="checkbox"/> Not Advise and Consent 2345				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
FEVELLA, Kurt	✓			
TOTAL	5	0	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:				
Original File with Committee Report	Yellow Clark's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one Governor's Message per Record of Votes