



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

CHRIS J. SADAYASU
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
CHRIS J. SADAYASU
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON WATER & LAND

Tuesday, February 14, 2023
9:30 AM
State Capitol, Conference Room 430

In consideration of
HB1375, HD1
RELATING TO TOURISM.

Chair Ichiyama, Vice Chair Poepoe, and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) offers **comments** on HB1375, HD1, which establishes a destination management agency, including its director and commission, and tourism special fund and county assistance special fund.

DBEDT affirms its commitment to collaborate with the Committee should it be determined that a destination management agency will be established and will participate in any discussions related to its potential role and responsibilities.

Thank you for the opportunity to comment on this measure.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M. R. SAKAMOTO
DEPUTY DIRECTOR

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. 1375, H.D. 1, Relating to Tourism

BEFORE THE:

House Committee on Water & Land

DATE: Tuesday, February 14, 2023

TIME: 8:30 a.m.

LOCATION: State Capitol, Room 430

Chair Ichiyama, Vice-Chair Poepoe, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.B. 1375, H.D. 1, for your consideration.

H.B. 1375, H.D. 1, establishes the Destination Management Agency ("Agency"), a body corporate and a public instrumentality of the State. Section 1 of the bill, on page 21, line 18 through page 22, line 7, exempts all revenues and receipts derived by the Agency from any project or a project agreement or other agreement pertaining thereto from all state taxation. Section 8, on page 43 of the bill, exempts amounts received by the operator of the Hawai'i convention center for reimbursement of costs or advances made pursuant to a contract with the Agency from general excise tax. Section 9, on page 45 of the bill, amends section 237D-6.5, Hawaii Revised Statutes, by allocating \$100 million in transient accommodations tax (TAT) revenues to a newly-created tourism special fund. The measure has a defective effective date of June 30, 3000.

The Department notes the following in relation to the \$100 million allocation of TAT revenues:

1. \$50 million shall be deposited into the county assistance special fund to provide matching funds to the counties for projects in their destination management action plans;
2. \$1 million shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance;
3. 0.5 percent shall be transferred to a subaccount in the tourism special fund to provide funding for a safety and security budget, in accordance with the

Agency strategic plan 2005-2015.

Of the revenues remaining in the tourism special fund after revenues have been deposited as provided, and except for any sum authorized by the legislature for expenditures subject to the bill, funds shall be deposited into the newly-created tourism emergency special fund in a manner sufficient to maintain a fund balance of \$5 million.

The Department further notes that it is able to administer the tax provisions in sections 1 and 8 of this bill upon approval, but suggests that section 9 of the bill, relating to the allocation of TAT revenues, be made effective on July 1, 2023.

Thank you for the opportunity to provide comments on this measure.

HB-1375

Submitted on 2/10/2023

Submitted by	Organization	Testifier Position	Testify
Barry Solomon, PhD	Member, Maui County Sustainable Tourism Subcommittee	Support	Written Testimony Only

I strongly support the passage of HB1375, which would repeal the Hawaii Tourism Authority (HTA) and replace it with a new Destination Management Agency that includes visitor educational and Hawaiian cultural components. Frankly, this action is long overdue as the HTA no longer serves a useful public purpose. Too many people already want to visit Hawaii on their own accord, and they do not need the HTA to encourage them. Over-tourism is damaging our lands and waters and the wellbeing of our people. In fact, Fodor’s Travel last month put Maui on its “No List” of places tourists may want to avoid in 2023 due to the problems caused by and ill effects of over tourism and our water problems. What is needed now is a management organization that will promote sustainable tourism policies and practices in Hawaii, which I would like to see meet the criteria and standards of the Global Sustainable Tourism Council, the gold standard for sustainable tourism internationally. One comment: I’d like to see the bill amended to strengthen the discussion of the role of county related destination management programs, and how they could work in tandem with the new Destination Management Agency.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: House Committee on Water & Land

From: Cheryl Kakazu Park, Director

Date: February 14, 2023, 9:30 a.m.
State Capitol, Conference Room 430

Re: Testimony on H.B. No. 1375
Relating to Tourism

Thank you for the opportunity to submit testimony on this bill, which would repeal the Hawaii Tourism Authority (HTA) and replace it with a new Destination Management Agency (DMA). The Office of Information Practices (OIP) takes no position on the substance of this bill, but offers comments on the proposed confidentiality provision and the special executive sessions authorized for the new DMA Commission and a **proposed amendment** to align the executive session provisions more closely to the provisions currently authorized for the HTA Board.

First, OIP notes that the confidentiality provision for certain DMA information in proposed subsection __-9(d) on page 15 is the same as an existing confidentiality provision for certain HTA information in subsection 201B-7(d), HRS. Thus, its inclusion here would not change the treatment of that information in terms of public access.

Second, OIP notes that the special executive session purposes for the DMA Commission set out in proposed section __-5 on bill pages 8-9 is almost the same as an executive session provision for the HTA Board in section 201B-4, HRS. Proposed subsection (a)(1), allowing an executive session for information

“proprietary to a particular enterprise or the disclosure of which might be harmful to the business interests of the enterprise,” is identical to existing law. While OIP would prefer a more narrowly written executive session purpose, the proposed one simply follows the current law and thus OIP does not object to it.

Proposed subsection (a)(2), allowing an executive session for “[i]nformation that is necessary to protect Hawaii’s competitive advantage as a visitor destination,” **omits the current law’s proviso that “information relating to marketing plans and strategies may be disclosed after the execution of the marketing plans and strategies.”** OIP questions the reason for this change from the current law, and in the absence of a compelling explanation recommends that the measure be amended to restore the missing language. As amended, bill page 9, lines 4-5 would read:

- (2) Information that is necessary to protect Hawaii’s competitive advantage as a visitor destination, provided that information relating to marketing plans and strategies may be disclosed after the execution of the marketing plans and strategies,

Thank you for considering OIP’s testimony.



February 11, 2023

Representative Linda Ichiyama, Chair
Representative Mahina Poepoe, Vice Chair
House Committee on Water and Land
Hawaii State Legislature

Comments on HB1375 HD1

Dear Chair Ichiyama, Vice Chair Poepoe and Members of the House Committee on Water and Land,

Thank you for the opportunity to comment on HB1375 HD1.

During the 25 years since the Hawaii Tourism Authority (HTA) was established in 1998, it has focused on 9 key initiatives including: destination marketing and branding worldwide, touting the unique attributes of our islands, in partnership with each island's visitors bureau chapter; the development of community product enrichment programs to introduce visitors to the traditions and programs our residents value; sporting events which attract competitors and fans from around the world; community festivals and events; Hawaiian cultural programming; natural resources programming; tourism workforce development programming; visitor safety and security; and data collection and dissemination.

Much of that work has been primarily undertaken by a broad and diverse network of non-profit and community organizations all across the state. A list of the organizations and programs supported by HTA is included in their annual report to the Legislature and can be found here - <https://www.hawaiitourismauthority.org/who-we-are/annual-report/>.

As currently written, we do not believe that bill HB1375 HD1 thoroughly addresses how the state will support:

- Global marketing and the islands' visitors bureaus
- Visitor safety and security through organizations like the Visitor Aloha Society of Hawaii (VASH)
- Tourism workforce development through organizations like ClimbHI
- Community product enrichment programs, festivals, sports and events

These important community organizations rely on the continuity of the funds they receive from HTA in order to deliver critical services to support the health and stability of the state's visitor industry. And the relationships between those organizations and the HTA are critically important and have taken decades to nurture and develop.

Thank you for the opportunity to provide comments on HB1375 HD1.

Sincerely,

A handwritten signature in black ink that reads "Stephanie P. Donoho". The signature is written in a cursive, flowing style.

Stephanie Donoho, Administrative Director

THE CIVIL BEAT
LAW CENTER FOR THE PUBLIC INTEREST

700 Bishop Street, Suite 1701
Honolulu, HI 96813

Office: (808) 531-4000
Fax: (808) 380-3580
info@civilbeatlawcenter.org

House Committee on Water & Land
Honorable Linda Ichiyama, Chair
Honorable Mahina Poepoe, Vice Chair

RE: Testimony Opposing H.B. 1375 H.D. 1, Relating to Tourism
Hearing: February 14, 2023 at 8:30 a.m.

Dear Chair and Members of the Committee:

My name is Brian Black. I am the Executive Director of the Civil Beat Law Center for the Public Interest, a nonprofit organization whose primary mission concerns solutions that promote governmental transparency. Thank you for the opportunity to submit testimony **opposing the reduced transparency provided by H.B. 1375 H.D. 1.**

Under existing law, the Hawai'i Tourism Authority has a special exemption from the Sunshine Law to hold closed door meetings to receive:

Information that is necessary to protect Hawaii's competitive advantage as a visitor destination; provided that information relating to marketing plans and strategies may be disclosed after the execution of the marketing plans and strategies.

HRS § 201B-4 (emphasis added). The comparable provision for the newly created Destination Management Commission, however, excludes the italicized language. Sec. -5(a)(2). There is no reason to withhold information about anticipated plans and strategies when those plans and strategies have been finalized.

The Law Center respectfully requests that the Committees amend H.B. 1375 H.D. 1 to include the italicized language from existing law in Section -5(a)(2).

Thank you again for the opportunity to submit testimony **opposing and offering proposed amendments** on H.B. 1375 H.D. 1.

HB-1375-HD-1

Submitted on: 2/12/2023 11:04:31 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Nachtigall	Friends of Kuilima	Support	Remotely Via Zoom

Comments:

It is time for short-term rental operators to have a seat at the table. We are charged taxes at the Hotel-Resort rate. We believe that we represent a considerable source of TAT, OTAT, GET and property tax revenue to the State and the Counties. Short term rentals are here to stay as evidenced by all the travel trend data. Please give us deserved respect and transparency by amending the Bill to include short-term rental representation on the Commission.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS, GENERAL EXCISE, Replace Hawaii Tourism Authority with Destination Management Agency

BILL NUMBER: HB 1375 HD1

INTRODUCED BY: House Committees on Tourism and Economic Development

EXECUTIVE SUMMARY: Establishes the powers, duties, and responsibilities of the destination management agency, including its director and commission. Establishes the tourism special fund, which receives an allocation from transient accommodations tax revenue. Repeals the Hawai'i tourism authority (HTA).

SYNOPSIS: As related to the tax laws:

Amends section 237-24.75, HRS, to substitute the new agency for the HTA in paragraph (2).

Amends section 237D-6.5, HRS, to alter the earmarks on the transient accommodations tax as follows:

- Earmarks \$100 million to the tourism special fund. Of the \$100 million:
 - \$50 million into the county assistance special fund for matching county funds used in destination management plans.
 - \$1 million is for the operation of a Hawaiian center and the museum of Hawaiian music and dance.
 - 0.5% is to be transferred to a sub-account to fund a safety and security budget.
 - Funds will be deposited into the tourism emergency special fund sufficient to keep that fund at a \$5 million balance.

Makes technical and conforming amendments.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: Our comments will be limited to the effect on the tax laws from the amendment to section 237D-6.5, HRS.

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

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

Re: HB 1375 HD1
Page 2

needs of each program and compare them against other pressing issues of the day such as crumbling education infrastructure, economic devastation wrought by COVID-19, and the continual danger of invasive species.

Digested: 2/11/2023

HB-1375-HD-1

Submitted on: 2/12/2023 9:28:43 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
vicky Poland	Rainbow Inn	Support	Written Testimony Only

Comments:

Aloha respected members of the House.

My name is Vicky Poland and along with my husband Grant we own Rainbow Inn Aiea. A non conforming use Licensed bed and breakfast #90/BB-0038. We would like to support this bill that creates a new Destination Management Commission. Our hope is to have this Commission comprised of all Stakeholders and not just big hotel corporations or those paid by the hotel industry. We beleive this will bring the balance to tourism that it currently lacks. Mahalo Vicky Poland



Ke'ena Kuleana Ho'okipa O Hawai'i
Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaii-tourismauthority.org

Josh Green, M.D.
Governor

John De Fries
President and Chief Executive Officer

Statement of
JOHN DE FRIES
Hawai'i Tourism Authority
before the
COMMITTEE ON WATER & LAND

Tuesday, February 14, 2023
8:30 a.m.
State Capitol Conference Room 430 & Videoconference

In consideration of
HOUSE BILL NO. 1375 HD1
RELATING TO TOURISM

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee on Water & Land,

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer comments on HB1375 HD1, which would establish a new destination management agency to assume the rights, powers, functions, and duties of HTA.

Over the past three years, Hawai'i experienced and survived a massive economic collapse thanks to a coordinated effort between the private and public sectors. In concert with our partners and stakeholders, and led by our volunteer board of directors with a wealth of industry and community experience, HTA has been guiding and supporting the recovery of our tourism industry which has helped resuscitate Hawai'i's overall economy ahead of projections.

Tourism is the largest sector of Hawai'i's economy, and therefore a major contributor of tax revenues to fund important state priorities. **In 2022, preliminary numbers show that Hawai'i tourism topped the previous high water mark 2019 in visitor spending (\$19.3 billion, +8.9%) and state tax revenue (\$2.21 billion, +6.2%) with fewer visitor arrivals (9.25 million, -11%).**

It is important to note that this strong recovery was primarily powered by the U.S. market, where HTA has maintained continuity in our visitor education, brand management, and support services even through the contested process to procure the next contract for that market.

In addition to HTA's spending-related key performance indicators, we also track visitor satisfaction and resident sentiment. Both measures are trending in the right direction.

HTA's message to prospective visitors around the world is **Mālama Hawai'i**: an invitation for them to join kama'āina in caring for our beloved home. Setting that intention and expectation, combined with robust visitor education through all stages of the journey, is our strategy to target and welcome visitors who prioritize the environment and being mindful guests – all key to achieving our goal of a regenerative model of tourism through destination management.

We recognize that the impacts of tourism are real and require management. As Hawai'i emerges from the pandemic, HTA continues its pivot to destination management initiated just before the onset of the pandemic. The pivot started with the adoption of our current strategic plan, and was further refined in the community-generated Destination Management Action Plans for each island.

A return to dedicated funding from the Transient Accommodations Tax as described in this measure would be helpful in advancing destination management following the budgetary uncertainties HTA faced during the pandemic and continues to face.

Ahead of making major structural changes to the agency responsible for managing Hawai'i's visitor industry, the completion of a study on alternative models of tourism governance – as contemplated in HB1381 – would be a valuable, prudent approach to consider.

We look forward to the vigorous debate this measure is likely to inspire before your committee, and we appreciate the opportunity to offer these comments on HB1375 HD1. Mahalo.



Maui Hotel & Lodging
ASSOCIATION

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

Committee on Water and Land
House Bill 1375, HD1: Relating to Tourism
February 14, 2023, 8:30 am
Conference Room 430

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry for Maui County. We represent over 180 property and allied business members and 22,000 employees. **MHLA offers comments for House Bill 1375, HD1**, which establishes the powers, duties, and responsibilities of the destination management agency, including its director and commission. Establishes the tourism special fund and county assistance special fund, to receive allocations from transient accommodations tax revenue. Repeals the Hawaii tourism authority.

We recognize that Hawaii's tourism needs greater management coordination with private and public stakeholders. MHLA is a part of the current Destination Management Plan (DMAP) Steering Committee for Maui County and would like to see the action items set forth to be able to continue along with the many alliances already established with government agencies. Additionally, we support each county receiving funds to continue this vital work.

Concerning the three-person Commission, we would prefer to see a larger commission with persons representative from each of Hawaii's counties. We cannot afford a commission with limited optics on the challenges experienced on all the islands throughout the State.

Lastly, we encourage completing a study on alternative tourism governance models as laid out in HB1381. This would be a practical, pragmatic approach to consider.

MHLA respectfully submits these comments for your consideration for House Bill 1375, HD1.

Thank you for the opportunity to provide this testimony.

HB-1375-HD-1

Submitted on: 2/11/2023 1:29:03 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jill Paulin	Individual	Support	Written Testimony Only

Comments:

Aloha State Legislators,

I support HB1375 but respectfully request the Bill be amended to include representation from the short-term rental industry on the new Destination Management Commission. The hotel industry or those with close ties to the hotel industry have always led the HTA. The demand and growth of the short-term rental industry is a trend that will continue. Hawaii cannot try and change consumer's sentiment on accommodation preferences. We must embrace it and coordinate to offer a full range of housing options for our visitors. Many short-term rental operators are residents, providing income for island residents and the local communities. Please acknowledge us and require that the background of the commission include experience within the short-term rental industry. This inclusion is overdue and can only make the new Commission more diverse and ultimately, effective. Thank you for your consideration,

Jill Paulin, Haleiwa, HI

HB-1375-HD-1

Submitted on: 2/11/2023 1:51:45 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
SharLyn Foo	Individual	Support	Written Testimony Only

Comments:

Aloha , Yes I believe a commission would be good. However it would need a diverse assortment of members. Should include those with experience in legal vaction rentals and other visitor related sources . Possibly attractions and retailers not only hotel lobby and city and state reps.Need to get others involved to have well rounded input. Mahalo SharLyn Foo

HB-1375-HD-1

Submitted on: 2/12/2023 12:03:09 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Farrah Larson	Individual	Support	Written Testimony Only

Comments:

It's time that we support a commission that represents more than just the hotels and their agenda and legislation. Short term rentals should have the opportunity to have representation as the data supports that short term rentals make vacation equitable for a diverse group of people as well as they support the local areas. The commission should be amended to represent short term rentals which is a large part of the tourism industry in Hawaii. With dot taxes at almost 18% and the highest in the world, we deserve to have representation on the commission. Anything less is unacceptable!

HB-1375-HD-1

Submitted on: 2/12/2023 4:43:42 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Francisco Goya	Individual	Support	Written Testimony Only

Comments:

Please let local families make some extra income while they travel to visit their families abroad.

This is sustainable tourism, as the house remains occupied, traffic remains the same, while benefiting local families, not large corporations and linking our community with other families alike from around the world.

thank you!

Francisco

HB-1375-HD-1

Submitted on: 2/12/2023 4:49:57 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Vladimir Gurovich	Individual	Support	Remotely Via Zoom

Comments:

As an owner of a monthly rental on Oahu, I support HB 1375 and would love for the organization that replaces HTA to include representatives of Short Term Rental industry. We have all heard the term "Managed Tourism" from the talking heads of Hotel Industry, but meanwhile we seem them building new Hotels and Resorts in areas such as Kapolei, Ewa, etc all the while painting the mom-and-pop short-term-rental owners as evil monsters that bring crowds to residential neighborhoods..

We need checks and balances and both sides at the decision making table

HB-1375-HD-1

Submitted on: 2/12/2023 5:45:11 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carlin Jones	Individual	Support	Written Testimony Only

Comments:

It's time to give short term and transient rental owners a seat at the table. Legal vacation rentals help local families meet the excessive costs of living in Hawaii. Communication not separation or elimination will bring our communities to greater prosperity and peacefulness

HB-1375-HD-1

Submitted on: 2/12/2023 7:45:04 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Julian Ritchey	Individual	Support	Written Testimony Only

Comments:

I support HB 1375 for the following reasons -

It is time for short-term rental operators to have a seat at the table.

We are tired of playing defense to the hotel-backed policies and legislation. STR's are here to stay as evidenced by all the travel trend data. Please give us the respect and transparency by amending the Bill to include short-term rental representation on the Commission.

HB-1375-HD-1

Submitted on: 2/12/2023 7:56:53 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mike Jackson	Individual	Support	Written Testimony Only

Comments:

PLEASE SUPPORT HB 1375

HB-1375-HD-1

Submitted on: 2/12/2023 8:07:13 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mitch Maxwell	Individual	Support	Written Testimony Only

Comments:

This is a good, fair bill. It's ridiculous that LEGAL vacation rental owners have had no voice for all these years; meanwhile, the hotel industry has massive power and influence. It's unfair, unethical, and in-American. Everyone should have a voice in decisions that affect us all.

HB-1375-HD-1

Submitted on: 2/12/2023 8:14:30 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Choi	Individual	Support	Written Testimony Only

Comments:

The Hawaii Tourism Authority (HTA) has been in charge of promoting and developing the tourism industry in Hawaii for several decades. However, the industry has changed significantly over the years and it's time for a new approach. A Destination Management Commission (DMC) that includes representation from short-term rental operators would better reflect the needs and concerns of the industry and help Hawaii to remain a premier, yet regeneratively managed tourist destination.

One of the key advantages of the DMC is that it would bring a new level of accountability to the tourism industry. By including short-term rental operators in the commission, the state would be able to tap into the expertise and experience of this important segment of the market. These operators would have a voice in the decisions made by the commission, which would lead to better outcomes for both the industry and the state.

Another advantage of the DMC is that it would allow for a more collaborative approach to regenerative tourism management. The commission would bring together stakeholders from different segments of the industry, such as hotel operators, tour companies, environmentalists and short-term rental operators, to work together on common goals. This would create a more harmonious and efficient tourism industry that would benefit all parties involved.

Moreover, the DMC would also provide a platform for addressing issues that are specific to short-term rental operators. These operators face a number of challenges, such as taxes, regulations, and zoning restrictions, that are different from those faced by other segments of the tourism industry. By including short-term rental operators in the commission, the state would be able to address these issues in a more comprehensive and effective manner.

In conclusion, replacing the Hawaii Tourism Authority with a Destination Management Commission that includes representation from short-term rental operators would bring a new level of accountability, collaboration, and effectiveness to the tourism industry in Hawaii. It would help to ensure that Hawaii remains a premier tourist destination for years to come, in a manageable and regenerative way.

HB-1375-HD-1

Submitted on: 2/12/2023 10:07:47 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Karen Luke	Individual	Support	Written Testimony Only

Comments:

I support destination management. An agency without a history of attracting tourists may be more effective than one with institutional knowledge and bias. Short-term rental operators should also have a seat at the table to provide our communities a voice in the administration.

HB-1375-HD-1

Submitted on: 2/13/2023 5:58:55 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sebastyen Jackovics	Individual	Support	Written Testimony Only

Comments:

Support HB1375. We need every single stakeholder in Hawaii represented in the tourism industry.

HB-1375-HD-1

Submitted on: 2/13/2023 8:06:06 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gildas Cheung	Individual	Support	Written Testimony Only

Comments:

STR is and will be part of our economic activity. Please give us the respect and transparency by amending the Bill to include short-term rental representation on the Commission.

HB-1375-HD-1

Submitted on: 2/13/2023 8:56:03 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michelle Croft	Individual	Support	Written Testimony Only

Comments:

Short-term rentals are an important component of the State's ability to provide housing on the islands. In addition to vacationers, we accommodate traveling nurses, family visiting loved ones, contractors and other non-vacationers that need affordable housing to help support our island's needs.

It is time for short-term rental operators to have a seat at the table. We are tired of playing defense to the hotel-backed policies and legislation. Those operating with legal non-conforming certificates and/ or short-term rental permits should not have to constantly fight to no have their livelihoods put at risk, and have no representation.

Please show your support for those of us that have been operating legally, paying our taxes, hiring living-wage employees, and providing Aloha to our visitors. Please give us the respect and transparency by amending the Bill to include short-term rental representation on the Commission.

HB-1375-HD-1

Submitted on: 2/13/2023 10:58:49 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kelly O'Brien	Individual	Oppose	Written Testimony Only

Comments:

I am writing to say that I support HB 1375.

HB-1375-HD-1

Submitted on: 2/13/2023 2:12:26 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
John An	Individual	Comments	Remotely Via Zoom

Comments:

Please be sure to have representation from the short term rental industry as an equal member on the commission so a broad and informed perspective on destination management is incorporated.

HB-1375-HD-1

Submitted on: 2/14/2023 7:54:10 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Levi Brooker	Individual	Support	Written Testimony Only

Comments:

It is time for STR operators to have a seat at the table! We are not criminals and actually serve a vital role in the economy.

HB-1375-HD-1

Submitted on: 2/14/2023 8:27:24 AM

Testimony for WAL on 2/14/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica Sarmiento	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Jessica Sarmiento and I am testifying in support of HB1375. Relating to Tourism.

I was born in Kaua'i and have never left this island to live anywhere else. I go to a public highschool and currently have the benefit of experiencing the beautiful, vibrant plants and what it means to spread love and care to the people and environment around me.

I have done much research on the tourism industry and its effects so far are not desired in my perspective living in Hawai'i. Although it is nice to share our culture with those who come here, it becomes hard to watch the amount of foreigners rise closer to our own population.

Kauai is my home, and I would hate to see it turn into a city with tall skyscrapers or pedestrians walking dangerously across the road. The Hawaiian Tourism Authority has done its best on bringing out Hawaiian culture, but their best is not enough to keep our environment clean and sacred. As well as educate visitors on how to respect the land and the people.

While many individuals outside of Hawai'i continue to be attracted by the beautiful places we have and the hospitality we provide, HB 1375 assures that the attraction is true to reality. Where you cannot hike anywhere you want or take anything you want.

I am in favor of this bill because it provides the protection Hawai'i needs from the unwanted effects of the tourism industry, especially the dependence of visitors. This is not only beneficial for the residents here, but also for the plants, animals, and the land.

Mahalo