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WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 2563, H.D. 2, S.D. 1

April 5, 2024
10:20 a.m.

Room 211 and Videoconference

RELATING TO THE HAWAII TOURISM AUTHORITY

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 2563, H.D. 2, S.D. 1, adds two new sections to Chapter 201B, HRS, to require the Hawai'i Tourism Authority to develop and publish a mobile application, through contract with a third party, that includes all online application processes to require a permit, license, or reservation needed to conduct recreational and commercial activities in the State that are regulated by or under the jurisdiction of a State or county agency; and to establish outside the treasury the Tourism Enterprise Fund (TEF) to provide a mechanism to collect fees on behalf of State and county agencies and to disburse them to the appropriate agency on a quarterly basis. This bill also appropriates an unspecified amount of general funds for FY 25 to establish an unspecified amount of manager positions to manage the mobile application and to contract for the development and publication of the mobile application.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should:

1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 2563, H.D. 2, S.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

In addition, B&F has concerns with the TEF being established outside of the State treasury as having funds within the State treasury will allow for better investment and fund management.

Lastly, any operating expenses relating to the administration of this mobile application process should be paid for by fees collected for the program in the TEF before distribution to each State or county agency.

Thank you for your consideration of our comments.



TESTIMONY OF DANIEL NĀHO'OPI'I
INTERIM PRESIDENT & CEO, HAWAII TOURISM AUTHORITY
BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS
Friday, April 5, 2024 10:20 a.m.
In consideration of
HB 2563 HD 2 SD 1
RELATING TO THE HAWAII TOURISM AUTHORITY

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) supports the intent of this measure, which requires the Hawai'i Tourism Authority to develop and publish, through a contract with a third party, a mobile application that includes all online application processes, including the collection of any applicable reservation fees, to acquire a reservation to conduct recreational and commercial activities in the State that are regulated by or under the jurisdiction of a state or county agency.

Unifying travel-related interactions with state and local government in a cohesive digital platform for visitors and kama'āina offers many opportunities to make these interactions more seamless for the consumer, and to make destination management more efficient and effective through location-aware deployment of safety and educational messages, and encouraging meaningful itineraries that drive visitors to sites and experiences with the capacity to host them appropriately.

These capabilities would also advance various priority actions identified in HTA's island-based, community-led Destination Management Action Plans.

HTA stands in support of this measure, provided that it does not adversely impact the administration's budget priorities. Mahalo for the opportunity to offer this testimony.



Chamber of Commerce HAWAII

The Voice of Business

Testimony to the Senate Committee on Ways and Means
Friday, April 5, 2024, at 10:20AM
Conference Room 211 & Video Conference

LATE

RE: HB2563 HD2 SD1 Relating to the Hawaii Tourism Authority

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") stands in **general support of HB2563 HD2 SD1**, which requires the Hawai'i Tourism Authority to develop and publish, through a contract with a third party, a mobile application that includes all online application processes, including the collection of any applicable reservation fees, to acquire a reservation to conduct recreational and commercial activities in the State that are regulated by or under the jurisdiction of a state or county agency.

The Chamber completed its 2030 Blueprint for Hawaii Initiative earlier this year. The vision was to create a data-based action plan to lead and shape Hawaii's economic future. We connected with stakeholders from business, government & community to shape goals and priorities and develop a strategy that presents achievable policy reforms and metrics to increase Hawaii's economic competitiveness.

The 2030 Blueprint for Hawaii proposed key suggestions in the dimension of economic growth and diversification. Suggestions in line with the effectuation of this measure include the incorporation of technology and ensuring economic growth will benefit the local community. Furthermore, building of sustainable destination development strategies to foster sustainable economic development, collaboration among government, businesses, and communities, as well as supporting growth in the Tech Sector to facilitate its expansion were founded to be recommended implementations for the economic growth in our state.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for the opportunity to testify.

LATE

HB-2563-SD-1

Submitted on: 4/4/2024 9:19:41 PM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
jessamy town hornor	Testifying for Ocean Safety 'Ohana	Support	Written Testimony Only

Comments:

Aloha Chair, Vice-Chair, and members of the committee,

I am writing as a longtime community advocate for statewide ocean and trail safety, and as the founder of Ocean Safety 'Ohana.

I am writing in support of this bill with comments - I appreciate that this app would work across agencies to facilitate easier access to destinations for the public, and I also hope that a fully integrated app initiative would be considered that could direct locals and visitors to appropriate locations statewide based on live weather and tide conditions. This app would be an investment in both our tourism and local safety infrastructure at the same level as an airport. There are several platforms that users need to access now for this information which makes is less useful: hioceansafety.com, Na Ala Hele Trail and Access Program, and GoHawaii.com. While each of these platforms has some valuable information, they are also limited and outdated by current technology standards, and some of the data is not at the highest possible level. It is time to invest in a cutting edge, unified solution to reduce our drowning and injury numbers and to facilitate the best possible access for tourists and locals throughout Hawaii.

Mahalo for your consideration.



LATE

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

**Senate Committee on Ways and Means (WAM)
HB2563, HD2, SD1 RELATING TO THE HAWAI'I TOURISM AUTHORITY
Friday, April 5, 2024
POSITION: SUPPORT**

Chair Dela Cruz and members of the Committee,

On behalf of the Hawai'i Lodging & Tourism Association, the state's oldest and largest private sector tourism organization representing 700 members, nearly 50,000 hotel rooms, and 40,000 lodging workers, we are writing in support of HB2563, HD2, SD1 RELATING TO THE HAWAI'I TOURISM AUTHORITY. This measure would require the Hawai'i Tourism Authority (HTA) to contract a third party to develop and publish a mobile application to consolidate all online application processes, including the collection of reservation fees, for recreational and commercial activities regulated by or under the jurisdiction of a state or county agency; require HTA to issue RFPs for the development of the mobile application; establish the Tourism Enterprise Fund; and appropriate funds that would include the hiring of mobile application managers.

The implementation of such a mobile application aligns seamlessly with the concept of destination management. By centralizing state and local government permit processes into a user-friendly digital platform, we can significantly simplify the application procedures for kama'āina, visitors, and commercial activity operators. This would help manage activities taking place within our parks, campsites, trails, and other natural resources. Moreover, the proposed mobile app holds the potential to facilitate the creation of meaningful itineraries for patrons of these resources. By guiding users to sites and experiences that can responsibly accommodate them, we can ensure a more respectful and regenerative form of tourism.

While we understand that some parts of this proposed legislation may still need to be refined, we believe HB2563, HD2, SD1 RELATING TO THE HAWAI'I TOURISM AUTHORITY is a positive step in the right direction towards fostering responsible tourism in our state. This initiative could be further improved by broader discussions with the counties on parameters and implementation processes.

The Hawai'i Lodging & Tourism Association stands in support of this measure, recognizing its potential to enhance the visitor experience while promoting the mindful use of our cherished natural resources.

Mahalo for the opportunity to provide this testimony.

HB-2563-SD-1

Submitted on: 4/3/2024 11:24:51 AM

Testimony for WAM on 4/5/2024 10:20:00 AM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Support	Written Testimony Only

Comments:

Support with HTA's recommendations