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TESTIMONY OF
DANIEL NĀHO‘OPI‘I
Interim President & Ceo
Hawai‘i Tourism Authority
before the
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Wednesday, February 12, 2025
2:00 p.m.
State Capitol, Room 325
In consideration of
HB 604 HD 1
RELATING TO TAX REVENUES

Aloha Chair Tarnas, Vice Chair Poepoe, and members of the Committee,

The Hawai‘i Tourism Authority (HTA) offers comments on HB 604 HD 1, which increases transient accommodations tax (TAT) rates by 1 percentage point beginning on January 1, 2026 and deposits the increased revenues into the Hawaiian Home General Loan Fund established under the Hawaiian Homes Commission Act, 1920, as amended. This measure is effective July 1, 3000.

There are a number of proposals before the Legislature this session that suggest increasing the TAT for specific purpose funds. Generally, we have concerns about increasing the TAT for specific purpose funds while there is a lack of specific dedication of TAT for tourism through destination management, stewardship, and marketing.

Since the TAT is paid predominantly by visitors, a specific dedication to these efforts would clearly demonstrate the visitor's contribution to mitigating visitor impacts and innovating improvements to our tourism product. It would also ensure that HTA has the resources to ensure the visitor industry's continued contributions to Hawai‘i's economy – an estimated $21 billion in visitor spending in 2024, and a corresponding $2.4 billion in state tax revenues to support a number of public priorities as decided by the Legislature.

Mahalo for the opportunity to share our comments on HB 604 HD 1.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAIʻI
DEPARTMENT OF TAXATION
Ka ʻOihana ʻAuhau
P.O. BOX 259
HONOLULU, HAWAIʻI 96809
PHONE NO: (808) 587-1540
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TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

TESTIMONY ON THE FOLLOWING MEASURE:
H.B. No. 604, H.D.1, Relating to Tax Revenues.

BEFORE THE:
House Committee on Judiciary & Hawaiian Affairs

DATE: Wednesday, February 12, 2025
TIME: 2:00 p.m.
LOCATION: State Capitol, Room 325

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

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 604, H.D.1, for your consideration.

H.B. 604, H.D.1, amends chapter 237D, Hawaii Revised Statutes (HRS), by modifying the transient accommodation tax (TAT) as follows:

- Increases the TAT rates under HRS sections 237D-2(a) through (c) from 9.25% to 10.25% effective January 1, 2026;
- Imposes an additional 1% surcharge on the TAT under section 237D-2(e), HRS, until December 31, 2030, for an effective total rate of 11.25%;
- Directs the 1% surcharge to the mass transit special fund, as currently required under existing law;
- Introduces a new subsection (f) to allocate the difference between the 10.25% rate and the 9.25% rate to the Hawaiian home general loan fund; and
- Retains the allocation of the base 9.25% TAT to be deposited per section 237D-6.5.

The bill has a defective effective date of July 1, 3000.

DOTAX requests that if this bill is passed, the effective date of the bill be amended to January 1, 2026 to provide DOTAX with sufficient time to make the necessary form, instruction, and system changes.

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

JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
Ke Kiaʻāina o ka Mokuʻāina ʻo Hawaiʻi

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
Ka Hope Kiaʻāina o ka Mokuʻāina ʻo Hawaiʻi

KALI WATSON
CHAIRPERSON, HHC
Ka Luna Hoʻokele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Hoʻokele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka ʻOihana ʻĀina Hoʻopulapula Hawaiʻi
P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
HEARING ON FEBRUARY 12, 2025 AT 2:00PM IN CR 325

HB 604, HD 1, RELATING TO TAX REVENUES

February 11, 2025

Aloha Chairs Tarnas, Vice Chair Poepoe, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **strongly supports** this bill which 1) beginning on 1/1/2026, increases transient accommodations tax rates by 1 percentage point and 2) deposits the increased revenues into the Hawaiian Home General Loan Fund established under the Hawaiian Homes Commission Act, 1920, as amended.

HB604, HD1 provides an opportunity and means by which the State can fulfill its trust obligations under the Hawaiian Homes Commission Act, 1920, as amended, and the Hawaii State Constitution. Increasing the transient accommodations tax rate by 1 percentage point would greatly aid DHHL in addressing its extensive applicant waiting list through a source of funds that is not currently available to DHHL.

Thank you for your consideration of our testimony.

Kohala Coast
RESORT ASSOCIATION

February 11, 2025

Representative David Tarnas, Chair
Representative Mahina Poe Poe, Vice Chair
Committee on Judiciary and Hawaiian Affairs
House of Representatives
Hawaii State Legislature

Opposition to HB604 HD1

Dear Chair Tarnas, Vice Chair Poe Poe, and Members of the Committee on Judiciary and Hawaiian Affairs,

Thank you for the opportunity to provide our testimony in opposition to HB604 HD1.

Until the State of Hawaii and all four counties have shown that they are fairly and equitably collecting the full amount of Transient Accommodations Tax (TAT) and General Excise Tax (GET) that are legally due from **all** accommodations types – hotels, timeshares and short-term vacation rentals - the Kohala Coast Resort Association (KCRA) will consistently oppose any increases.

The KCRA conducts an economic and community impact report every two years. Through our attached 2024 report (based on 2023 data), we showed that the hotels and timeshares on the Kohala Coast paid the vast majority of the TAT collected from our island – more than $75.7M. And yet, we represent only a portion of the hotels, timeshares, and short-term vacation rentals located on Hawaii Island.

Granicus/Host Compliance, which aggregates data from the hosting platforms and works with governments across the country to the collect the taxes that are owed, has been delving into the impact of unpaid TAT in Hawaii. They have provided proposals to the State Department of Taxation, the City and County of Honolulu, and recently provided a report to Hawaii County leaders. They showed there were 8,700 unique short-term vacation rentals operating on our island as of November 2024, with an average daily rate of $347/night.

With an average occupancy of 50%, based on DBEDT's vacation rental reports, if the TAT were equitably collected, those operators should have paid $56.4M in TAT to the state, and $16.5M in TAT to Hawaii County. And yet the budget line item for Hawaii County TAT for fiscal year 2023-24 was $24M, $17M of which was paid only by the members of the KCRA. **The math just doesn't add up.**

Before the Hawaii State Legislature considers raising the TAT for any purpose, we believe it needs to fully understand and collect the full amount of TAT and GET it is owed from all accommodations types. With that knowledge, you can then fully assess whether it is necessary to increase the TAT for this, or any other purpose.

Visitation to Hawaii is not a given. Visitors have more opportunities than ever before to visit destinations around the world. And Hawaii already has the reputation of having some of the highest visitor taxes in the world, as this article from the January 25, 2025 edition of Travel+Leisure attests - What to Know About the Proposed Tourist Fee in Hawaii. Hawaii's high visitor taxes aren't just being discussed by lawmakers and the visitor industry - the visitors, especially corporate meeting planners, are using our high visitor taxes as a justification to take their business to other destinations like Florida and Mexico.

Before the Legislature moves forward with any increases that could negatively impact the economic driver of our state, it needs to make sure that all state agencies charged with collecting taxes and visitor fees are doing so to their full capacity. Further, it needs to show visitors that the taxes they currently pay (TAT, GET, rental car fees, airport landing fees, ocean tourism fees, parking fees at parks like Hapuna Beach State Park) are being collected fairly, and used to address visitor impacts. With the vast majority of tax collections going into the state's general fund, there is no clear nexus.

On behalf our 5,500 employees and their 17,500 family members, we thank you for the opportunity to provide our comments in opposition to HB604 HD1.

Sincerely,

Stephanie P. Donoho

Stephanie Donoho, Administrative Director

Craig Anderson, VP Operations, Mauna Kea Resort –President
Pat Fitzgerald, CEO, Hualalai Investors – Vice President
Charlie Parker, General Manager, Four Seasons Hualalai – Secretary
Daniel Scott, Managing Director Rosewood Kona Village – Treasurer
Chris Sessions, DOSM, Fairmont Orchid – Board of Directors
Scott Head, VP Resort Operations, Waikoloa Land Company – Board of Directors
David Givens, General Manager, Hilton Waikoloa Village – Board of Directors
Rob Gunthner, Area VP Resort Operations, Hilton Grand Vacations – Board of Directors
Pete Alles, Regional VP and GM, Mauna Lani, Auberge Resorts Collection – Board of Directors
Mark Goldrup, General Manager, Waikoloa Beach Marriott – Board of Directors

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Kohala Coast
RESORT ASSOCIATION

2024 Executive Summary - KCRA Economic and Community Impacts

- The Kohala Coast consists of a twenty-mile stretch on the northwest shore of the Island of Hawaii. The Kohala Coast is a part of both the North Kona and South Kohala districts of Hawaii County. The KCRA was established in 1984 by the developers of the master-planned resorts along the Kohala Coast. Over the last 40 years, the KCRA has grown to include Hualalai, Waikoloa, Mauna Lani and Mauna Kea Resorts, as well as the hotel and timeshare management companies located within those resorts.

- KCRA members have invested billions of dollars in private funding to develop and maintain the infrastructure within the resorts, which are utilized and enjoyed by residents and visitors alike. These include roadways, water, wastewater, parks, restrooms, shopping centers, historic sites, interpretive signage, and community facilities.

- When combined, the amount paid by KCRA members for GET, TAT, property taxes, payroll for their employees, construction and renovation projects, marketing efforts, agricultural enhancements, and charitable donations sums to more than $815 million for 2023 alone.

- KCRA members operate 2,718 hotel rooms and 1,229 timeshares. The resorts also contain 778 resort residential units, home to both full and part-time Hawaii residents, as well as legal short-term vacation rentals. KCRA resorts also include shopping centers, golf courses, spas, and restaurants representing more than 100 small businesses.

- KCRA members represent 5 of the top 10 private employers on the island according to *Pacific Business News*. Collectively KCRA members employ nearly 5,500 residents, supporting more than 17,000 community members.

- The average salary and benefits package for employees of KCRA member properties is nearly $82,000 per year, with starting salaries for full-time positions in the mid-$50K. Starting hourly rates for employees average more than $17.50/per hour.

- The vast majority of KCRA members' employees live in zip codes neighboring the Kohala Coast (96738, 96740, 96743, 96755, 96727). Less than 8 percent of KCRA members' employees live in East Hawaii (from 2022 report).

- In 2023 KCRA members paid more than $44.3 million in GET and $75.7 million in TAT to the State of Hawaii and County of Hawaii. KCRA's members, as well as the businesses and residents within our resorts, paid nearly $151 million in property taxes to Hawaii County in 2023, accounting for more than one-third of all property taxes.

- Member resorts have spent more than $658 million on construction and renovations since 2020. We also welcomed back Kona Village, which had been a previous member, was destroyed by the 2006 tsunami, and came back online in 2023. These construction upgrades allow Hawaii County to keep its competitive advantage as a visitor destination, while creating numerous jobs for other residents statewide in the construction industry. During the next six years our members will invest nearly $1 billion more, including major hotel renovations at Mauna Kea Beach Hotel, and the creation of the first affordable rental housing project within a resort footprint in the State of Hawaii, with the development of Kumu Hou at Waikoloa Resort.

- KCRA members actively participate in the Hawaii Island Destination Management Action Plan (DMAP) and have led efforts on Hawaiian cultural education programming for visitors; promotion of local agricultural products through their restaurants and retail outlets; as well as stewardship and maintenance of the natural resources along the coastlines where resorts are located. KCRA resort employees supplement the work of our first responders and emergency services with privately funded safety and security personnel and lifeguard programs benefiting visitors and residents alike. In addition, KCRA members actively participate in the marketing and management activities of the destination, supplementing the funding allocated to the Hawaii Tourism Authority and Island of Hawaii Visitors Bureau, spending nearly $200 million in private funds in the last four years.

- ❖ KCRA is proud that the leadership teams for our hotels, timeshare management companies and resorts are comprised of hundreds of local residents. At seven of our member properties more than 40% of their managers are from Hawaii, with one property leading our efforts with 85% of its management team from the state.

- ❖ KCRA members are incredibly generous, collectively donating more than $2 million annually to local non-profit organizations. One signature event, hosted at KCRA member properties, is the Hawaii Lodging and Tourism Association's annual Visitor Industry Charity Walk. Since its inception more than 40 years ago, the Charity Walk has raised nearly $20 million for local charities, and new fundraising records are established each year.

- ❖ In addition to their substantial financial contributions, employees at KCRA member properties also volunteer thousands of hours annually to community organizations. As leaders within their respective resort communities, KCRA members also introduce part-time and full-time residents who live in their respective resorts to philanthropic opportunities across the island and the state. As a collective, we work hard to address the high cost of living for members of our community who fall into ALICE designations.

    - KCRA members regularly support the Hawaii Island Food Basket, Salvation Army food drives, and their chefs and culinary teams provide support for community meal programs, such as the one at St. James Episcopal Church in Waimea, which reaches more than 950 families each week.

    - KCRA members are highly invested in environmental causes including: Four Seasons Resort Hualalai's Legacy Trees initiative, where more than 65,000 koa trees have been planted to protect watersheds; Mauna Kea Resort's partnerships with the Nature Conservancy and Hawaii Island Land Trust; and Fairmont Orchid's partnership with the Waikoloa Dry Forest initiative. KCRA members' employees and family members regularly gather for beach and road cleanup projects all along the Kohala Coast.

    - Many KCRA members volunteer with different hula halaus, cultural clubs, sports teams and educational groups to showcase our island's diverse cultures and interests. Our members sponsor performances promoting the Hawaiian, Japanese, Portuguese, and Chinese cultures that make up our diverse island. We also host running, cycling, triathlons, paddling, golf, tennis and youth sports clinics and events.

    - Our KCRA team members serve on the board of directors for business, arts and cultural organizations; support educational, religious and community organizations; and even help defray the costs of education and home ownership, through our resident-driven ohana foundations.

- ❖ In addition to the arenas mentioned above, KCRA members provide vital support for other sectors including: retail – 3 shopping centers, restaurants, art galleries and pop-up small business incubators; services – real estate, architecture, landscape, interior design; special events – festivals, sports, weddings, photography, florists; natural resources stewardship - trails, bays, beaches, anchialine ponds, signage; and cultural preservation - historic sites, petroglyphs, and native Hawaiian cultural education programs.

Sustainable tourism management is exemplified by the members of the KCRA.

Craig Anderson, VP Operations, Mauna Kea Resort –President
Pat Fitzgerald, CEO, Hualalai Investors – Vice President
Charlie Parker, General Manager, Four Seasons Hualalai – Secretary
Daniel Scott, Managing Director Rosewood Kona Village – Treasurer
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Pete Alles, Regional VP and GM, Mauna Lani, Auberge Resorts Collection – Board of Directors
Mark Goldrup, General Manager, Waikoloa Beach Marriott – Board of Directors

GRASSROOT
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Removing barriers to Hawaii's prosperity

Feb. 12, 2025, 2 p.m.
Hawaii State Capitol
Conference Room 325 and Videoconference

To: House Committee on Judiciary & Hawaiian Affairs
Rep. David A. Tarnas, Chair
Rep. Mahina Poepoe, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN OPPOSITION TO HB604 HD1 — RELATING TO TAX REVENUES

Aloha Chair Tarnas, Vice-Chair Poepoe and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its comments **in opposition** to HB604 HD1, which would increase the current state transient accommodations tax rate by 1 percentage point, from 10.25% to 11.25%, or by 9.75%, with the revenues from the tax increase to be deposited into the Hawaiian Home General Loan Fund.

The goal of increasing the amount of money available to the Hawaiian Home General Loan Fund is laudable and worth discussing in the context of state budgeting. However, in the context of a significant tax hike, a laudable purpose does not negate the damage that this tax increase could inflict on Hawaii businesses and the state's economy as a whole.

Support for the TAT is often based on the notion that the tax falls most heavily — or even exclusively — on tourists. However, it also directly affects Hawaii residents who need to stay in local transient accommodations when traveling interisland or simply seeking to enjoy a "staycation."

Beyond that, a large body of research demonstrates that increasing taxes on tourists can also affect both the competitiveness of Hawaii's tourism industry and the health of local businesses that depend upon tourism dollars — which means the tax affects most, if not all, Hawaii residents, albeit in some cases indirectly.

A 2017 European Union study on the impact of taxation on tourism in Europe found that high tourism taxes, passed on to tourists through higher prices, affected the competitiveness of particular destinations.[1] Coastal and leisure destinations in particular were most adversely affected by increases in tourism taxes, especially compared to locations that were more focused on business travelers.

In addition, occupancy taxes such as Hawaii's TAT were singled out as inequitable and especially frustrating to tourists. The EU study recommended that countries that depend heavily on tourism should reduce their tourism taxes in order to increase competitiveness.

Even unique destinations are not immune from the effect of taxation on international arrivals. A study of the Maldives, a country that earns as much as 70% of its revenue from tourism taxes, found that a 10% increase in tourism taxes — approximately the same increase contemplated in this bill — reduces demand by 5.4%.[2]

To put it plainly, increasing tourism taxes decreases the number of visitors. Moreover, policymakers cannot assume that tourism taxes will not have an additional effect on visitor spending. It is common sense to assume that tourists will compensate for higher tourism taxes by adjusting their budgets and spending less on dining, activities or shopping.

This is borne out by a study of the effect of an air passenger duty on the budget allocations of United Kingdom tourists. The study found that tourists compensated for the higher taxes by decreasing destination expenditures on items such as accommodations and food.[3]

Thus, increasing tourism taxes will ultimately hurt Hawaii's restaurants, stores and hotels, as tourists decrease their expenditures to compensate for the state's higher taxes.

This is on top of the fact that Hawaii already has some of the world's highest tourism taxes,[4] making any additional hike a threat to the continued health of the industry and the businesses that depend on it.

Tourism is such a critical part of the state's economy that even industries that are not directly linked to tourism are linked to businesses that are.

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[1] PricewaterhouseCoopers LLP, "The Impact of Taxes on the Competitiveness of European Tourism," European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, October 2017.
[2] Festus Fatai Adedoyin, Neelu Seetaram and George Filis, "The Effect of Tourism Taxation on International Arrivals to a Small, Tourism-Dependent Economy," Journal of Travel Research, Vol. 62, Iss. 1, pp. 135-153.
[3] Haiyan Song, Neelu Seetaraum and Sunh Ye, "The effect of tourism taxation on tourists' budget allocation," Journal of Destination Marketing and Management, March 2019, pp. 32-39.
[4] Alison Fox, "These Cities — Including 3 in the U.S. — Have the Most Expensive Tourist Taxes in the World, Study Shows," Travel + Leisure, Aug. 12, 2022.

In addition, as I mentioned earlier, we should not ignore the fact that tourists are not the only ones who pay the TAT. For example, neighbor island residents who stay on Oahu for medical care, or families in need of a temporary dwelling after a natural disaster, must book either a hotel or a short-term rental. Likewise, medical professionals must stay somewhere while temporarily practicing in Hawaii.

In other words, a TAT increase will have a negative effect on the health of the state's tourism industry, its economy and the cost of living in general.

Hawaii residents must already make ends meet while living in the state with the highest cost of living. This is not the time to make Hawaii a more expensive place to live and do business.

As a final thought, please remember that Hawaii's TAT started out in 1986 as a temporary tax at 5% to help fund the Hawaii Convention Center.[5] Its original purpose has long disappeared, but we still have the tax, and it has only continued to increase through the years. And now we are talking about maybe increasing it again.

It is this kind of tax policymaking that breeds cynicism among Hawaii voters regarding the notion that there is really such a thing as a temporary tax — as you have heard in your discussions concerning other taxes, such as the general excise tax surcharge. Increasing the rate for this formerly so-called temporary tax will only exacerbate that cynicism.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[5] Tom Yamachika, "Erasing An Error of the Past in the Transient Accommodations Tax," Tax Foundation of Hawaii, Oct. 26, 1997.

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417 Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS TAX; Rate increase with the increased revenues earmarked to the Hawaiian Home General Loan Fund.

BILL NUMBER: HB 604 HD 1

INTRODUCED BY: House Committees on Tourism and Housing

EXECUTIVE SUMMARY: Beginning on 1/1/2026, increases transient accommodations tax rates by 1 percentage point. Deposits the increased revenues into the Hawaiian Home General Loan Fund established under the Hawaiian Homes Commission Act, 1920, as amended.

SYNOPSIS: Amends section 237D-2, HRS, to increase the rate of TAT and to direct the increased revenue to Hawaiian home general loan fund.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: In law prior to 2009, the TAT was levied at the rate of 7.25% on most transient accommodations. Once collected, 44.8% of the tax, after satisfying specified earmarks, was distributed to the counties. Act 61, SLH 2009, increased the TAT rate to 8.25% between 7/1/09 and 6/30/10 and to 9.25% between 7/1/10 to 6/30/15. Act 161, SLH 2013, made permanent the TAT rate of 9.25% and changed the allocations of TAT from a percentage basis to a specific dollar amount.

After the counties complained about their allocations, Act 174, SLH 2014, required a state-county functions working group to be convened to evaluate the division of duties and responsibilities between the State and counties relating to the provision of public services and to recommend an appropriate allocation of the transient accommodations tax revenues between the State and counties that properly reflects the division of duties and responsibilities relating to the provision of public services. The working group met and issued a report to the 2015 legislature, recommending that the percentage allocation of the TAT be restored. Bills were drafted to adopt that recommendation. The bills did not pass.

In the meantime, the City & County of Honolulu, needing a bailout to continue with its rail project, pleaded for and ultimately got an additional percentage point added to the TAT to fund rail efforts in Honolulu and to enhance transportation infrastructure in the other counties. Act 1, SLH 2017 (Special Session).

And, to put the icing on the cake, a few years later, in 2021, the legislature by veto override put an end to sharing any of the TAT revenues with the counties, but instead allowed the counties to enact their own transient accommodations tax at a rate up to 3%. Act 1, SLH 2021 (1st Special Session). The counties swiftly enacted 3% taxes.

This proposed increase in TAT will be borne largely by visitors. With the recent ability of counties to impose their own TAT charge, Hawaii already has the highest accommodation tax in the country. Although the bill's proponents may think that this is simply picking the pockets of our tourists to help our own, there may be ripple effects from further squeezing our tourists. What policy makers need to realize is that the more they extract from the economy in taxes and fees, the more economic performance declines. To put it specifically, tourists can't vote for our lawmakers at the ballot box but they can vote with their feet. We aren't the only resort island destination in the world, and the tourists know this. As economic performance declines, so do tax revenues.

Digested: 2/11/2025

HB-604-HD-1
Submitted on: 2/10/2025 4:26:23 PM
Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Schneckenburger	Individual	Oppose	Written Testimony Only

Comments:

TESTIMONY ON THE FOLLOWING MEASURE: H.B. No. 604, Relating to Tax Revenues

BEFORE THE: House Committees on Tourism and Housing

DATE: February 10, 2025

Chairs Tam and Evslin, Vice-Chairs Templo and Miyake, and Members of the Committees:

I am opposed to HB 604.

We already have the one of the highest hotel taxes in the world at just a hair under 18% total state and county. This is already unaffordable for those of us that travel among the island whether for health, business or pleasure. This is also very discouraging to mainland parts of families visiting Hawaiian families. Not to mention incentivizing tourists to go to locations other than Hawaii. When that happens, it affects all of us, whither directly or indirectly.

Vote NO on HB 604.

Joe Schneckenburger

Kailua Kona, Hawaii