LATE *Testimony submitted late may not be considered by the Committee for decision making ourposes of Hawaii 1801 Kalākaua Avenue Honolulu, HI 96815 kelepari fax (808) 973-2255 kelepari fax (808) 973-2253 hawaiitourismauthority.org

TESTIMONY OF DANIEL NĀHO'OPI'I Interim President & CEO Hawai'i Tourism Authority before the HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY Friday, March 21, 2025 10:00 a.m. State Capitol, Room 423

In consideration of HCR 118 / HR 114 REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO SPONSOR A MICHELIN GUIDE FOR RESTAURANTS ACROSS THE STATE

Aloha Chair Ilagan, Vice Chair Hussey, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) offers comments on HCR 118 / HR 114, which requests the Department of Business, Economic Development, and Tourism to sponsor a Michelin Guide for restaurants across the state.

The Hawaiian Islands offer a rich and diverse culinary landscape that showcases a blend of cultures, highlighting locally-sourced ingredients and innovative dishes. Implementing a Michelin Guide would not only elevate our local restaurants but also attract food enthusiasts and enhance the visitor experience by directing them to the best dining options. Additionally, it will bolster the local economy by elevating our culinary excellence.

We conducted research to gather background information about the process and budget required to bring the Michelin Guide to restaurants in a U.S. state. The process of introducing the Michelin Guide and its inspectors typically involves multiple steps and requires collaboration between Michelin, local tourism boards, government agencies, and stakeholders in the hospitality industry.

Funding is necessary to introduce the Michelin Guide to Hawai'i. The cost for a U.S. state to bring Michelin inspectors varies significantly based on the agreement reached between Michelin and the state or local tourism boards. While Michelin does not publicly disclose exact pricing,

state tourism boards usually negotiate financial agreements with Michelin to have their region evaluated for inclusion in the Michelin Guide. Below are some recent examples of U.S. destinations that have brought the Michelin Guide to their states:

- Texas: In 2024, the cost to bring the Michelin Guide to Texas involved a combined investment of \$2.7 million over three years, covering the cities of Autin, Dallas, Fort Worth, Houston, and San Antonio. This funding was shared equally between Travel Texas, the state's tourism board, and the visitor bureaus of the participating cities. The state tourism board put up half of the amount, with the remaining \$450,000 to be split five ways between the five major metros in the guide. Visit Dallas pledged approximately \$90,000 annually over the three-year period. (Source: WFAA (Working For All Alike) https://www.wfaa.com/article/news/local/michelin-guide-texas-restaurants-star-ratings-dallas-fort-worth/287-e08cb870-e147-418b-8062-ea2264b67160)
- Colorado: In 2023, the Colorado Tourism office agreed to contribute \$100,000 a year for 3 years to Michelin. Although the total cost projected was closer to \$135,000 according to the Communications Manager for the agency. (Source: The Colorado Sun <u>https://coloradosun.com/2023/09/12/colorado-michelin-guide-stars-restaurants-2023/</u>)
- Florida: In 2022, Visit Florida and the local tourism boards in Miami, Tampa and Orlando agreed to pitch in and pay Michelin up to \$1.5 million for 3 years. (Source: Axios Miami https://www.axios.com/local/miami/2025/02/04/michelin-guide-lauderdale-palm-beach?utm_source=chatgpt.com)

Mahalo for the opportunity to share our comments.