



AMENDED TESTIMONY OF DANIEL NĀHO'OPI'I
INTERIM PRESIDENT & CEO, HAWAII TOURISM AUTHORITY
BEFORE THE SENATE COMMITTEE ON ENERGY,
ECONOMIC DEVELOPMENT, AND TOURISM
Thursday, March 14, 2024 1:01 p.m.
In consideration of
HB 2563 HD 2
RELATING TO THE HAWAII TOURISM AUTHORITY

Aloha Chair DeCoite, Vice Chair Wakai, 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.

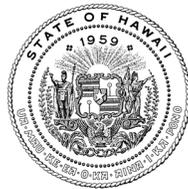
Unifying travel-related interactions with state and local government in a cohesive digital platform for visitors and kama'āina offers many opportunities to make these interactions more seamless for the consumer, and to make destination management more efficient and effective through location-aware deployment 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.

We have one suggested technical amendment to this measure that would align Section 4 with our current administrative structure. On page 7, lines 14-15, we suggest the following change:

14 positions to manage the mobile application, to be hired by [~~the~~
15 ~~board of directors of~~] the Hawaii tourism authority.

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.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND
TOURISM
ON
HOUSE BILL NO. 2563, H.D. 2

March 14, 2024
1:01 p.m.
Room 229 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, adds two new sections to Chapter 201B, HRS, to require the Hawai'i Tourism Authority (HTA) 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, 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.

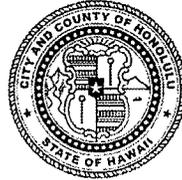
Lastly, any operating expenses relating to the administration of this mobile application process should be paid for by fees collected for the program in the TEF before distribution to each State or county agency.

Thank you for your consideration of our comments.

DEPARTMENT OF PARKS AND RECREATION
KA 'OIHANA MĀLAMA PĀKA A ME NĀ HANA HO'ONANEA
CITY AND COUNTY OF HONOLULU

1000 ULU'ŌHI'A STREET, SUITE 309 • KAPOLEI, HAWAII 96707
PHONE: (808) 768-3003 • FAX: (808) 768-3053 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



LAURA H. THIELEN
DIRECTOR
PO'O

KĒHAULANI PU'U
DEPUTY DIRECTOR
HOPE PO'O

March 12, 2024

The Honorable Lynn DeCoite, Chair
The Honorable Glenn Wakai, Vice Chair
and Members of The Committee on Energy,
Economic Development and Tourism
State Capitol, Senate Conference Room 229
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair DeCoite, Vice Chair Wakai and Committee Members:

SUBJECT: Comments on HB2563, HD2, Relating to the Hawaii Tourism Authority

The Department of Parks and Recreation respectfully opposes the portions of the bill that would apply to online reservations at parks and botanical gardens in the City and County of Honolulu, for the reasons provided the Department of Information Technology's testimony dated January 29, 2024, see attachment.

We recommend the following language for an amendment:

SECTION 1. The purpose of this Act is to:

- (1) Require the Hawaii 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, provided that any county with an online reservation and fee collection system established as of January 1, 2024 shall be excluded entirely from this system; ...

Thank you for the opportunity to submit testimony on HB2563, HD2.

Sincerely,

A handwritten signature in black ink, appearing to read "Laura H. Thielen", is written over a white background.

Laura H. Thielen
Director

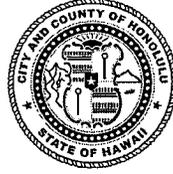
Attachment

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

DEPARTMENT OF INFORMATION TECHNOLOGY
KA 'OIHANA 'ENEHANA
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 5TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-7684 • FAX: (808) 768-7807 • WEBSITE: honolulu.gov/it

RICK BLANGIARDI
MAYOR
MEIA



MARK D. WONG
DIRECTOR AND CHIEF INFORMATION
OFFICER
PO'O AND KAHU LUNA 'IKEPILI

STEPHEN COURTNEY
DEPUTY DIRECTOR
HOPE PO'O

January 29, 2024

The Honorable Sean Quinlan, Chair
The Honorable Natalia Hussy-Burdick, Vice-Chair
And Members of the Committee on Tourism
State Capitol
House of Representatives Conference Room 423
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Quinlan, Vice-Chair Hussy-Burdick, and Committee Members:

SUBJECT: Comments on HB2563, Relating to the Hawaii Tourism Authority

My name is Stephen A. Courtney, Deputy Director of the Department of Information Technology (DIT) at the City and County of Honolulu. I am testifying in opposition of H.B. No. 2563, Relating to the Hawaii Tourism Authority.

The City and County of Honolulu has a software development staff that has already created applications for residents and visitors to participate in recreational activities. It is provided in a system called PROS (Parks and Recreation Online System) via a single web page to access these activities:

- Hanauma Bay Nature Preserve – performs online reservations and ticket purchasing
- Koko Head Shooting Complex – performs online reservations
- Camping – performs online reservations and permit purchasing for City and County of Honolulu Parks
- As well as information on parks, gardens, skate parks, and activities available within the City and County of Honolulu

Currently, we are in the process of integrating the City permits within other areas of the City database. We would lose that advantage if we switched to a statewide, multi-jurisdiction system. In addition, we'd basically go backwards, because we'd have to reprogram all the permits we already have online.

The Honorable Sean Quinlan, Chair
The Honorable Natalia Hussy-Burdick, Vice-Chair
and Members of the Committee on Tourism
January 29, 2024
Page 2

DIT agrees with the intent to make it easier for residents and visitors to locate appropriate state and county applications for recreational activities but not with the implementation as proposed in this legislation. DIT has invested in technology and in our people to produce PROS. Other solutions can be implemented that can achieve the intent of the legislation.

Thank you for the opportunity to testify against this measure, we will be available for any questions regarding this matter.

Sincerely,



Digitally signed by Courtney,
Stephen
Date: 2024.01.29 10:44:22
-10'00'

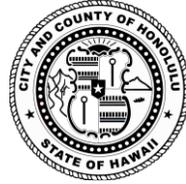
Stephen A. Courtney
Deputy Director
Department of Information Technology
for the City and County of Honolulu

DEPARTMENT OF INFORMATION TECHNOLOGY
KA 'OIHANA 'ENEHANA
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 5TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-7684 • FAX: (808) 768-7807 • WEBSITE: honolulu.gov/it

LATE

RICK BLANGIARDI
MAYOR
MEIA



MARK D. WONG
DIRECTOR AND CHIEF INFORMATION
OFFICER
PO'O AND KAHU LUNA 'IKEPILI

STEPHEN COURTNEY
DEPUTY DIRECTOR
HOPE PO'O

March 12, 2024

The Honorable Lynn DeCoite, Chair
The Honorable Glenn Wakai, Vice-Chair
and Members of the Committee on Energy, Economic Development, and Tourism
State Capitol
House of Representatives Conference Room 229
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair DeCoite, Vice-Chair Wakai, and Committee Members:

SUBJECT: Comments on HB2563 HD2, Relating to the Hawai'i Tourism Authority

My name is Stephen A. Courtney, Deputy Director of the Department of Information Technology (DIT) at the City and County of Honolulu. I am testifying in opposition of H.B. No. 2563 HD2, Relating to the Hawai'i Tourism Authority.

The City and County of Honolulu has a software development staff that has already created applications for residents and visitors to participate in recreational activities. It is a system called PROS (Parks and Recreation Online System) via a single web page accessible by mobile phone or desktop computer for these activities:

- Hanauma Bay Nature Preserve – performs online reservations and ticket purchasing
- Koko Head Shooting Complex – performs online reservations
- Camping – performs online reservations and permit purchasing for City and County of Honolulu Parks
- Summer Fun – schedule activities for youth 6 through 17 years old during summer
- Parks Recreational Activities – schedule classes at parks and swimming pools
- Facilities Reservation (coming soon) – reserve park facilities
- As well as information on parks, gardens, skate parks, and activities available within the City and County of Honolulu

The Honorable Lynn DeCoite, Chair
The Honorable Glenn Wakai, Vice-Chair
and Members of the Committee on Energy, Economic Development, and Tourism
March 12, 2024
Page 2

PROS has been in operation since 2020. It integrates scheduling, reservations, payments, notifications, and information awareness into one comprehensive platform for both the public and the Department of Parks and Recreation. No licensing fees nor third-party payments are necessary since DIT staff developed it.

Currently, we are in the process of integrating the City permits within other areas of the City database. We would lose that advantage if we switched to a statewide, multi-jurisdiction system. In addition, we'd basically go backwards, because we'd have to reprogram all the permits we already have online.

We oppose the legislation as it currently stands but recommend the following amendment.

SECTION 1.....

The purpose of this Act is to:

- (1) ... that are regulated by or under the jurisdiction of a state or county agency, ***provided that any County with an online reservation system established as of January 1, 2024 shall be excluded entirely from this system.***

DIT is open to changes to the bill so that differences can be resolved.

Sincerely,

Stephen A. Courtney
Deputy Director
Department of Information Technology
City and County of Honolulu



FRIENDS of HANAUMA BAY

CONSERVE • PROTECT • RESTORE

*Dedicated to the conservation of coastal and marine environments,
emphasizing stewardship of the natural resources of Hanauma Bay*

COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

DATE: TIME: PLACE:

Thursday, March 14, 2024, 1:01 PM
Conference Room 229 & Videoconference

Re: Testimony in **strong opposition to HB2563 HD2** - Relating to the Hawaii Tourism Authority

March 12, 2024

Aloha Chair DeCoite, Vice Chair Wakai, and Committee Members,

Founded in 1990, Friends of Hanauma Bay is dedicated to the conservation of coastal and marine environments, emphasizing stewardship of the natural resources of Hanauma Bay.

Mahalo for the opportunity to testify in strong opposition to HB2563 HD2 that would require the Hawaii 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.

We are strong supporters of a reservation system for Hawaii's sensitive natural resource areas. In fact, we recommended that the City and County of Honolulu implement the first reservation system at Hanauma Bay in 2020 before it reopened the Nature Preserve to visitors after an almost 9 month closure due to the COVID -19 pandemic. However, requiring the HTA to contract a third party to manage this function through an app for all state and county sites eliminates the voice of community stewards and erodes the authority of state and county agencies.

Further, the City and County of Honolulu has already created a reservation system so forcing it to pay a fee, realign its procedures, and wait three months for payment to be part of this new system would be duplicative and more expensive.

If this app must go forward, at least allow for the counties to decide for themselves if they want to participate, and in what capacity.

Either way, we can not support Hanauma Bay's reservation system being managed by this app as described in this bill.

Please defer this bill in your Committee, or amend it to make it optional for the Counties.

With Aloha,

Lisa Bishop, MS
Friends of Hanauma Bay I President

LATE

HB-2563-HD-2

Submitted on: 3/13/2024 1:02:51 PM

Testimony for EET on 3/14/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Angelina bonet	Individual	Support	In Person

Comments:

Angelina Bonet a student at Hawaii Pacific University, I am in supports this bill. I believe it can help with regulation and accessibility. It won't take from other funds and issues in the state. While also providing for the community. Thank you for your time.

HB-2563-HD-2

Submitted on: 3/11/2024 6:40:43 PM

Testimony for EET on 3/14/2024 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen M. Pahinui	Individual	Support	Written Testimony Only

Comments:

I support this bill. Mahalo.