



LINDA LINGLE
Governor

LLOYD I. UNEBASAMI
Interim President and
Chief Executive Officer

Hawai'i Tourism Authority

Hawai'i Convention Center, 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
Website: www.hawaiitourismauthority.org

Telephone: (808) 973-2255
Fax: (808) 973-2253

Testimony of
Lloyd Unebasami
Interim President and Chief Executive Officer
Hawai'i Tourism Authority

on
H.B. 682
Relating to the Hawai'i Tourism Authority

House Committee on Tourism, Culture & International Affairs
Monday, February 2, 2009
8:30 a.m.
Conference Room 312

The Hawai'i Tourism Authority (HTA) opposes H.B. 682, which would reduce the term of HTA's contracts from five years to two years, except for its contracts related to the Hawai'i Convention Center.

Currently, the HTA has several long-term contracts that would be affected by this legislation. This includes contracts for its major sporting events such as the NFL Pro Bowl, PGA golf tournaments as well as for its major tourism marketing services in North America, Asia, Europe, Japan and Oceania.

Reducing the terms of HTA's contracts from five to two years limits the Authority's ability to develop long-term plans or to make long-term commitments. To date, the long-term commitments have given HTA the ability to negotiate maximum benefits for the state and therefore, be more effective.

Should the HTA be limited to two year contracts, this would also severely hamper HTA's ability to be efficient. As an example, as soon as the current marketing contract has been executed, the HTA would also have to begin its procurement process for the same contract for the following two years.

As such, the HTA believes that H.B. 682 should be held. Thank you for the opportunity to testify on this measure.

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**HAWAI'I HOTEL & LODGING
ASSOCIATION**

2270 Kalakaua Ave., Suite 1506
Honolulu, HI 96815
Phone: (808) 923-0407
Fax: (808) 924-3843
E-Mail: hhlca@hawaii-hotels.org
Website: www.hawaii-hotels.org



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**TESTIMONY OF MURRAY TOWILL
PRESIDENT
HAWAI'I HOTEL & LODGING ASSOCIATION
February 2, 2009
RE: HB 682 Relating to the Hawaii Tourism Authority**

Good morning Chair Manahan and members of the House Committee on Tourism, Culture & International Affairs. I am Murray Towill, President of the Hawai'i Hotel & Lodging Association.

The Hawai'i Hotel & Lodging Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 170 hotels representing over 47,300 rooms. Our hotel members range from the 2,523 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawai'i Hotel & Lodging Association opposes HB 682 Relating to the Hawaii Tourism Authority. This bill would reduce the maximum term of contracts from 5 to 2 years. We believe 2 years is too short a period of time. In many cases, the State is seeking long term commitments from groups like the PGA or NFL to both keep costs down and allow sufficient lead time to obtain maximum benefits from the arrangements.

We urge you to hold this bill. Mahalo again for this opportunity to testify.

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