

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.hawaii-tourism-authority.org

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

Testimony of
Lloyd I. Unebasami
Interim President and Chief Executive Officer
Hawai'i Tourism Authority
on
H.B. 960, H.D. 1
Relating to the Hawai'i Tourism Authority

House Committee on Finance
Friday, February 27, 2009
3:00 p.m.
Conference Room 308

The Hawai'i Tourism Authority (HTA) strongly supports H.B. 960 which amends the definition of "tourism emergency" to include regional and worldwide economic crisis.

The current law requires the "occurrence of a world conflict, terrorist threat, natural disaster, outbreak of disease, or other catastrophic event..." As such, under the current law, it may be questionable whether the Tourism Emergency Trust Fund can be used to address events caused by the current economic conditions, or other events that are not caused by a catastrophic event.

The amendments proposed by H.B. 960, H.D. 1, will allow the HTA to respond quickly to a tourism emergency that is caused by a regional or worldwide economic crisis.

Thank you for the opportunity to offer these comments.



LINDA LINGLE
GOVERNOR
MARSHA WIENERT
TOURISM LIAISON

TOURISM LIAISON

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 586-2362
Fax: (808) 586-2370

Statement of
MARSHA WIENERT
Tourism Liaison
Department of Business, Economic Development & Tourism
before the
HOUSE COMMITTEE ON FINANCE
Friday, February 27, 2009
3:00 p.m.
State Capitol, Conference Room 308

in consideration of
HB 960 HD1
RELATING TO THE HAWAII TOURISM AUTHORITY.

Chair Oshiro, Vice Chair Lee and Members of the House Committee on Finance.

The Department of Business, Economic Development and Tourism strongly supports HB 960 HD1.

HB 960 HD1 broadens the scope of a "tourism emergency" to include a *regional or worldwide economic crisis*, and we concur with this broadened language.

Thank you for the opportunity to comment on HB 960 HD1.



Testimony to the House Committee on Finance
Conference Room 308, State Capitol
Friday, February 27, 2009; 3:00 p.m.

RE: HOUSE BILL NO. 960 HD1, RELATING TO TOURISM EMERGENCY

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

The Chamber of Commerce of Hawaii and its Tourism Committee support HB 960 HD1, relating to Tourism Emergency.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. 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.

This measure adds a national or global economic crisis to situations considered a tourism emergency and requires, in addition to the governor's declaration of the existence of a tourism emergency, the governor's express approval and direction before action may be taken.

The Chamber, through its Tourism Committee, encourages a broad base of understanding, support and appreciation for the Tourism and Travel Industries within the business community, Legislature and the general public. The committee also supports visitor industry growth and improvement while working to enhance the visitor experience.

The Chamber understands the value and significance of the tourism industry to Hawaii's economy. Any decline in this sector harms all businesses, including small businesses that solely rely on tourism. Unfortunately, the industry is being exponentially impacted by the current economic situation.

The priorities are to increase visitors, create jobs and put our people back to work. As a result, the Chamber believes it is critical to respond to emergency situations on a timely basis to offset the impact on the industry. This bill will provide a mechanism to address emergency situations, thus mitigating potential negative outcomes.

The Chamber of Commerce and its Tourism Committee, therefore, support HB 960 HD1 and urges the committee's support of this measure.

Thank you for the opportunity to provide written comments.



**HAWAII HOTEL & LODGING
ASSOCIATION**

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



31st Anniversary
Are You Walking???
May 16, 2009
(Always the 3rd Saturday in May)
www.charitywalkhawaii.org

**TESTIMONY OF MURRAY TOWILL
PRESIDENT
HAWAII HOTEL & LODGING ASSOCIATION
February 27, 2009
RE: HB 960 HD1 Relating to the Hawaii Tourism Authority**

Good afternoon Chairman Oshiro and members of the House Committee on Finance. I am Murray Towill, President of the Hawaii Hotel & Lodging Association.

The Hawaii 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 Hawaii Hotel & Lodging Association strongly supports HB 960 HD1 Relating to the Hawaii Tourism Authority. This bill would clarify that the Tourism Emergency Trust Fund could be utilized for an economic disaster as well as a natural or terrorist created disaster as indicated in the current statute. Our experiences over the last year clearly indicate the value of this step.

The US and Hawaii are currently facing the most severe economic times since the Great Depression of the 1930s. Unfortunately, the current law does not appear to allow the HTA to access the \$5 million in this Fund. Some of the funds could greatly aid Hawaii's effort to attract visitors and keep our people working.

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

C L A S S I C R E S O R T S

February 25, 2009

Hawaii Finance Committee

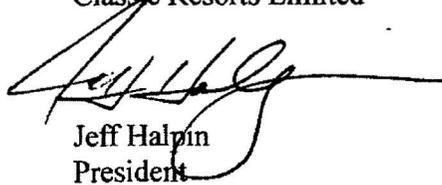
Subject: HB 960 HD1 & HB 1204 HD1

I am writing in support of the above mentioned bills as they would strengthen the marketing effort that is so critical in this economic environment.

Layoffs are becoming more prevalent in the visitor industry. Tax revenues to counties and the state are down because of declining visitor counts. Promoting tourism and increasing our marketing efforts are necessary to stem these trends.

Please strongly support the HB 960 HD1 and HB 1204 HD1. Thank you for considering my input.

Sincerely,
Classic Resorts Limited



Jeff Halpin
President

P.S. Classic Resorts employs over 250 people in the visitor industry.

STARWOOD

HOTELS & RESORTS WORLDWIDE, INC.

Keith Vieira

Senior Vice President, Director of Operations

February 25, 2009

To: House Committee on Tourism, Culture & International Affairs

Fr: Keith Vieira, Senior Vice President for Starwood Hotels & Resorts Worldwide

Re: HB 960, HD1 relating to the Hawaii Tourism Authority hearing on Friday February 27th, 2009 at 3:00pm at the State Capitol, Conference Room 308.

Aloha Chair Manahan and Members of the Committee:

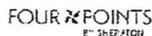
My name is Keith Vieira, Senior Vice President for Starwood Hotels & Resorts Worldwide. I am testifying on behalf of Starwood in support of HB 960, relating to the Hawaii Tourism Authority.

HB 960 expands and clarifies the definition of "tourism emergency" to include *regional and worldwide economic crises* that will directly effect Hawaii's tourism industry.

This bill will allow HTA to quickly respond and allocate funds in the case of tourism industry including in the case of an economic adversity. By including "economic crisis" to the definition HTA will be able to support Hawaii's tourism industry in times of *all* emergencies.

For these reasons, we respectfully request that this bill be accepted.

As always, I thank you for the opportunity to share our views on this matter.





Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair
Committee on Ways and Means

HEARING Friday, February 27, 2009
 3:00 pm
 Conference Room 308
 State Capitol, Honolulu, Hawaii 96813

RE: HB960, HD1 Relating to the Hawaii Tourism Authority

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii.

RMH supports HB960, HD1, which broadens the scope of a "tourism emergency" to include a regional or worldwide economic crisis.

While the existing statute defines a number of occurrences and disasters as tourism emergencies, there is no specific reference to the current economic crisis in which we find our state, as well as our nation.

Our tourism retailers are experiencing double-digit decreases in sales. Most that had expansion plans in the works have canceled them; some have just shut their doors. Layoffs and declines in job growth are an unfortunate consequence.

We respectfully request your support for HB960, HD1. Thank you for your consideration and for the opportunity to comment on this measure.

A handwritten signature in cursive script, appearing to read 'Carol Pregill'.

Carol Pregill, President

RETAIL MERCHANTS OF HAWAII
1240 Ala Moana Boulevard, Suite 215
Honolulu, HI 96814
ph: 808-592-4200 / fax: 808-592-4202



Travel should take you places*

**TESTIMONY OF JERRY GIBSON
AREA VICE PRESIDENT, HILTON HAWAII
February 27, 2009**

RE: HB 960 HD1 Relating to the Hawaii Tourism Authority

Good afternoon Chairman Oshiro and members of the House Committee on Finance. Thank you for holding this hearing and allowing the members of the visitor industry to submit testimony to you.

Our Hilton Hawaii portfolio spans four islands: Oahu, Maui, Kauai and the Big Island and represents more than 7,000 hotel guest rooms and timeshare units. Our Hilton Hawaiian Village is the largest hotel in Hawaii with its 3,543 hotel and timeshare units.

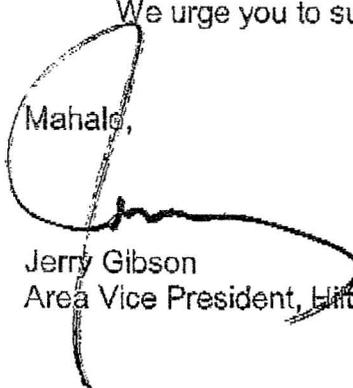
Hilton Hawaii strongly supports HB 960 HD1 Relating to the Hawaii Tourism Authority (HTA). This bill would clarify that the HTA's Emergency Trust fund could be used to respond to an economic crisis as well as a natural or terrorist-created disaster as indicated in the current statute.

While the current economic situation is not a natural or terrorist-created disaster, it still represents a disaster to our state's economy and the people of Hawaii. Nearly every member of the state's population is being affected. Every day we read about declining visitor counts, layoffs, business closures, and this are affecting all of us.

Additional marketing funds such as the Emergency Trust Fund are critical in bringing back and maintaining the health of our state's largest industry.

We urge you to support this bill.

Mahalo,


Jerry Gibson
Area Vice President, Hilton Hawaii


Hilton
Grand Vacations
Asia Pacific Region

February 27, 2009

To: House Finance Committee
Rep. Marcus Oshiro, Chair

From: Bryan Klum, Executive Vice President
Hilton Grand Vacations, Asia/Pacific Region

Date: February 27, 2009
State Capitol Conference Room 308, 3 p.m.

Re: **HB 960 HD1 Relating to the Hawaii Tourism Authority**
Testimony in Support of the Bill

Chair Oshiro and Members of the Committee:

Hilton Grand Vacations is the timeshare division of Hilton Hotels Corporation and represents more than 800 employees in the State of Hawaii who work each day to create new owners and serve the guests staying in HGV's vacation ownership resorts on Oahu and the Big Island.

I speak in support of this bill, which clarifies that the Tourism Emergency Trust Fund can be used for an economic crisis, in addition to those created by natural disaster or terrorist actions, as indicated in the statute.

Over the past 25 years, we have seen downturns in visitor arrivals to the Islands caused by events as diverse as Hurricane Iniki, the Gulf War, the terrorist attacks of 9/11 and SARS. Through it all, Hawaii has shown its resilience as a visitor destination. But the current economic crisis, while less dramatic than those past events, is far more troubling. It has the potential to create a long-term decline in visitor arrivals and visitor spending in Hawaii, with tremendous negative impact on the many Hawaii citizens who work in the visitor industry or other industries that benefit from visitor spending.

The Hawaii Tourism Authority needs the flexibility to use all resources available to address the current economic turmoil and its impact on the visitor industry and the citizens of our State.

Mahalo for this opportunity to offer testimony in support of this measure.



MAUI DIVERS
OF HAWAII

February 26, 2009

Representative Marcus Oshiro, Chair
Representative Marilyn Lee, Vice Chair
Committee on Ways and Means

HEARING: Friday, February 27, 2009
3:00 p.m.
Conference Room 308
State Capitol, Honolulu, HI 96813

RE: HB960, HD1, Relating to the Hawaii Tourism Authority

Chair Oshiro, Vice Chair Lee and Members of the Committee:

Our company has over 500 employees and has been in business in Hawaii for over 50 years. Over 90% of our business is dependent on the number of visitors coming to Hawaii. This is definitely the worse economic crisis that we have ever faced.

Maui Divers of Hawaii, Ltd. supports HB960, HD1, which broadens the scope of a "tourism emergency" to include a regional or worldwide economic crisis.

We respectfully request that you pass HB960, HD1. Thank you for your consideration and the opportunity to comment on this measure.

Sincerely,

Robert M. Taylor
President & CEO

RMT:asn



February 27, 2009

Hawaii State Capitol
House Committee on Finance
415 South Beretania Street
Honolulu, HI 96813

**TESTIMONY OF EDGAR GUM
GENERAL MANAGER
MARRIOTT'S KO OLINA BEACH CLUB**

RE: HB 960 HD1 Relating to the Hawaii Tourism Authority

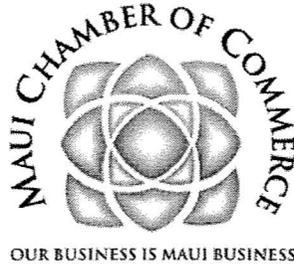
Chairman Oshiro and members of the House Committee on Finance:

My name is Edgar Gum, General Manager of Marriott's Ko Olina Beach Club. Our resort is one of ten Marriott properties in the State of Hawaii that employs over 5,000 associates.

Marriott's Ko Olina Beach Club strongly supports HB 960 HD1 Relating to the Hawaii Tourism Authority. We support this bill as it would broaden the scope of a "tourism emergency" to include regional and worldwide economic crises that impact Hawaii's largest industry – tourism.

Such an emergency would allow the Hawaii Tourism Authority (HTA) access to the \$5 million in the Tourism emergency Trust Fund. With the recent decline in tourism, it is imperative for the HTA to continue to promote Hawaii as a travel destination and if necessary, this bill would allow for these much needed funds.

Mahalo for the opportunity to provide this testimony.



**Testimony to the House Finance Committee
Conference Room 308, State Capitol
Friday, February 27, 2009; 3:00p.m.**

RE: HOUSE BILL NO. 960 HD 1

Dear Chair Marcus Oshiro & Members of the Committee:

The Maui Chamber of Commerce, a business organization whose mission it is to advance and promote a healthy economic environment for business, advocating for responsive government and quality education, while preserving Maui's unique community characteristics, supports HB 960 HD1, relating to the Hawaii Tourism Authority.

We are a membership driven organization comprised of over 900 members, 88% of which are small businesses with fewer than 25 employees, representing nearly 21,000 employees. We support this bill as it gives the Hawaii Tourism Authority additional funding and access to emergency funding through the Tourism Emergency Fund.

The Maui Chamber of Commerce understands the value and significance of the visitor industry and believes that more support and appreciation is needed for this industry which greatly contributes to our economy. We are in favor of measures that help to sustain and grow the visitor industry and enhance visitor experiences. Any decline in this sector harms all businesses, including small businesses that solely rely on tourism.

Therefore, we believe it is critical for the visitor industry to be able to quickly respond to emergency situations to best position the industry. This bill provides a mechanism to do just that and will help us mitigate potential negative outcomes in the future.

For these reasons, the Maui Chamber of Commerce urges your support of HB 960, HD1.

Sincerely,

Pamela Tumpap
President



Maui Hotel & Lodging
ASSOCIATION

Testimony of
Carol Reimann
Executive Director
Maui Hotel & Lodging Association
on
HB960
Relating to the Hawaii Tourism Authority

House Committee on Finance
Friday, February 27, 2009 – 3pm
Conference Room 308

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of Maui's Visitor Industry. Our membership includes approximately 120 property and allied business members – all of whom have an interest in the visitor industry.

MHLA supports HB960 entitled Relating to the Hawaii Tourism Authority. We believe that accessing the Tourism Emergency Fund during an economic crisis is an appropriate use of the fund; and that the funds would be put to good use to help us during these tough economic times.

There is no doubt that the visitor industry has taken a hard hit since the airline crisis early last year and the subsequent economic downfall felt across the nation. As the driving economic engine for Hawaii, the decline of tourism has negatively affected many other industries, lives, businesses and jobs. Accessing these funds is critical to assist us in our recovery process and will be of benefit to many residents in Hawaii.

We humbly ask for your support of HB960.

Thank you for the opportunity to provide these comments.

HOUSE OF REPRESENTATIVES
25th LEGISLATURE
REGULAR SESSION of 2009

COMMITTEE ON FINANCE
Representative Marcus Oshiro, Chair

2/27/09
3:00 PM – Room 306

HB 960, HD 1
Relating to Hawaii Tourism Authority (HTA)

Chair Oshiro and members of this Committee, my name is Max Sword, here on behalf of Outrigger Hotels, to support this bill.

This bill proposes to clarify the definition of what a tourism emergency is, by including “economic disaster” in that definition.

This change would allow the HTA to access those funds now, because we are in an economic disaster.

We urge that you pass out this bill and mahalo for allowing me to testify.

Testimony in Support of HB960 - February 27, 2009

Aloha House Finance Committee Chair, Vice Chair & Members;

Thank you for the opportunity to testify. My name is Toni Marie Davis. For the last 12 years it has been my honor to serve as the executive director of the statewide Activities & Attractions Association of Hawaii, (A3H). Today we are 208 members strong, statewide, representing over 1500 different tours and attractions. These businesses collectively provide jobs for over eight thousand residents and recycle nearly ½ a billion dollars a year back into our state's economy annually. They're a mix of large, medium, small and owner operated businesses.

Recent economic poll revealed that in 2008, members businesses are down an average of 15%, (range 10% -50%), layoffs averaged 16% (range 0% - 100%), as several businesses have closed. Those in venues relying heavily on fuel (land & boat tours) reported an increased decline in sales, averaging 28% as compared with 2007.

Tourism executed responsibly & respectfully is the most self sustaining and lucrative industry any community could wish for. Non consumptive – look but don't take, enables the preservation and protection of our natural resources. Culturally it is the Ho'okipa or Hospitality side of the host culture – it works, if managed & balanced properly.

Despite Hawaii's success, the tourism industry is still fragile. It is especially timely and important to support the marketing of tourism. ***Please support HTA and continue at least with level funding while providing additional funding through the Tourism emergency fund.*** With the struggling global economy, competition for visitors increases. Some of our longtime and most steadfast visitors are no longer choosing Hawaii. Now is NOT time for changes to our Tourism Authority funding or structure. Now is a time to sharpen pencils and work smarter!

Testimony of Doug Sears

HB 960 HD1 Relating to the Hawaii Tourism Authority: I SUPPORT THIS BILL - This measure would clarify that the Hawaii Tourism Authority's ("HTA") Emergency Trust Fund could be used to respond to an economic crisis. The existing \$5 million fund could be a valuable asset at times like this.

HB 1204 HD1 Relating to Tourism: I SUPPORT THIS BILL - This measure provides the opportunity to temporarily obtain additional funds for the HTA. These funds would greatly aid additional marketing efforts and help overcome our current economic problems.

HB 1763 HD1 Relating to Hawaii Tourism Authority: I OPPOSE THIS BILL - This measure would replace the HTA with a Department of Tourism. We believe this would be a step backward and reduce industry experts involvement in the decision making process. This is also the worst possible time to be making a change of this significance.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 26, 2009 9:49 AM
To: FINTestimony
Cc: chris_resich@mcahawaii.com
Subject: Testimony for HB960 on 2/27/2009 3:00:00 PM

Testimony for FIN 2/27/2009 3:00:00 PM HB960

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: Chris Resich
Organization: Individual
Address: 615 Piikoi St., #1000 Hnl., HI., 96814
Phone: 589-5516
E-mail: chris_resich@mcahawaii.com
Submitted on: 2/26/2009

Comments:

Aloha Members of the House Finance Committee,

I represent MCA, Inc., Hawaii's largest travel destination and event management company. We employ 175 associates and operate on all Islands.

I am writing in support of HB960. Given our current economic environment, I believe the HTA should have access to the Tourism Emergency Fund in case of a regional or worldwide economic crisis. The visitor industry and the entire State need aggressive support from the government to ensure our State is competitive in the global tourist market

Aloha,

Chris Resich

President, CEO

MCA, Inc.

615 Piikoi St., Suite 1000

Hnl., HI., 96814

808-589-5516

The Quality Leader in Destination Management - A Decade in Leading the DMC Industry

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 25, 2009 4:00 PM
To: FINTestimony
Cc: jpcercillieux@kaimana.com
Subject: Testimony for HB960 on 2/27/2009 3:00:00 PM

Testimony for FIN 2/27/2009 3:00:00 PM HB960

Conference room: 308
Testifier position: support
Testifier will be present: No
Submitted by: JP cercillieux
Organization: The New Otani Kaiamana Beach Hotel
Address: 2863 Kalakaua ave Honolulu, Hawaii
Phone: 808-921-7021
E-mail: jpcercillieux@kaimana.com
Submitted on: 2/25/2009

Comments: