

Testimony of

Mufi Hannemann President & CEO Hawaiʻi Lodging & Tourism Association

Committees on Economic Development, Tourism, and Technology Water and Land Public Safety, Intergovernmental, and Military Affairs

Senate Bill 703

Dear Chair Wakai, Chair Rhoads, Chair Nishihara, and members of the Committees:

We offer this testimony on behalf of the more than 700 members of the Hawai'i Lodging & Tourism Association, the largest private sector hospitality association in the state, on Senate Bill 703. The bill would require that a percentage of the Hawaii Tourism Authority budget be transferred to the Department of Land and Natural Resources and the counties, if the number of visitor arrivals in the State exceeds nine million, or if the number of visitor arrivals in any county exceeds six million.

Since its inception, the HTA has been the state's largest single source of public funding for marketing and promotion, and in so doing, has helped to diversify and sustain the industry. The authority is an invaluable partner of many of the members of HLTA in ensuring the remarkable success of tourism, which has enjoyed five consecutive years of record growth.

In order to promote Hawai'i as a premier vacation and meetings destination, ample funding for marketing is essential in maintaining our share of the existing customer base and to increase awareness in new markets. We, therefore, oppose SB 703 as it would take a large cut from valuable marketing dollars that would jeopardize the state's efforts to not only keep us competitive but to expand and diversify our customer base in the years to come .

Mahalo for this opportunity to testify.