STAND. COM. REP. NO. 224

Honolulu, Hawaii

FEB 1 1 2022

RE: S.B. No. 2035 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Hawaiian Affairs, to which was referred S.B. No. 2035 entitled:

"A BILL FOR AN ACT RELATING TO REGENERATIVE TOURISM,"

beg leave to report as follows:

The purpose and intent of this measure is to incorporate a regenerative framework into the State Planning Act by establishing objectives and policies for Hawaii's visitor industry, which includes:

- Forming community partnerships to ensure native Hawaiian cultural integrity;
- (2) Increasing the amount of Hawaii residents in management and leadership positions in the visitor industry;
- (3) Incentivizing and facilitating a shift to a regenerative visitor industry with a smaller footprint;
- (4) Supporting and encouraging other economic sectors to reduce the State's dependence on tourism;
- (5) Minimizing negative economic, environmental, and social impacts on the State;



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- (6) Generating greater economic benefits for Hawaii residents;
- (7) Enhancing the well-being of local communities;
- (8) Improving the working conditions and access to the visitor industry;
- (9) Involving Hawaii residents in decisions that affect their lives and life changes;
- (10) Making positive contributions to the conservation of natural and cultural heritage for the maintenance of Hawaii's diversity;
- (11) Providing more enjoyable experiences and a greater understanding of local culture, social, and environmental issues for tourists; and
- (12) Providing access for persons with disabilities and disadvantaged people.

Your Committees received testimony in support of this measure from the Office of Planning and Sustainable Development, Hawaii Tourism Authority, 'Āina Aloha Economic Futures, and four individuals. Your Committees received testimony in opposition of this measure from the Center for Hawaiian Sovereignty Studies and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that Hawaii's reliance on the tourism industry exacerbated the negative economic impacts to the State from the coronavirus disease 2019 pandemic. Your Committees further find that the objectives and policies established by this measure align with the State's 2050 Sustainability Plan and will help Hawaii transition to a more sustainable and regenerative form of tourism to provide greater benefits to residents, local communities, local businesses, and our natural environment.

Your Committees also find that the State's tourism functional plan has not been updated in over thirty years. Functional plans identify priority issues and contain objectives, policies, and actions to guide the allocation of resources and implementation of



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policies by state and county agencies. Your Committees recognize the importance of an updated tourism functional plan for the State's long-term economic recovery and resilience.

Your Committees received testimony from the Office of Planning and Sustainable Development which offered changes to align the measure more closely into the Hawai'i State Planning Act, and therefore amendments are necessary.

Accordingly, your Committees have amended this measure by:

- Requiring the Hawaii Tourism Authority, in coordination with the Office of Planning and Sustainable Development, to prepare and periodically update the tourism functional plan;
- (2) Requiring the Governor to submit the State Tourism Functional Plan to the Legislature no later than twenty days prior to the convening of the regular session of 2023; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2035, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2035, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committees on Energy, Economic Development, and Tourism and Hawaiian Affairs,

MAILE S.L. SHIMABUKURO, Chair



GLENN WAKAI Chair

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

Bill / Resolution No.:* Committee Referral: Date: SB 2035 EET/HWN, WAM 2/1/22									
The Committee is reconsidering its previous decision on this measure.									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
WAKAI, Glenn (C)									
MISALUCHA, Bennette E. (VC)									
LEE, Chris					\checkmark				
RIVIERE, Gil					V				
FEVELLA, Kurt		-V							
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Recommendation:									
Chair's or Designee's Signature:									
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*Only <u>one</u> measure per Record of Votes

The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Hawaiian Affairs HWN

Bill / Resolution No.:*	Committee Referral:			Date:						
5B 2035	EET/HWN, WAM			2/1/2022						
The Committee is reconsidering its previous decision on this measure.										
The Recommendation is:										
Pass, unamended Recommit Bill Pass, with amendments Hold Recommit 2312 2311 2310 2313										
Members		Aye	Aye (W	′R)	Nay	Excused				
SHIMABUKURO, Maile S.L. (C)		Х								
KEOHOKALOLE, Jarrett (VC)						Х				
ACASIO, Laura		×								
IHARA, Jr., Les			T			X				
FEVELLA, Kurt		X								
			1							
TOTAL		3				2				
Recommendation:										
Chair's or Designee's Signature:										
Distribution: Original File with Committee Re		ellow 's Office 1	Pink Drafting Age		Gold	lenrod e File Copy				

*Only <u>one</u> measure per Record of Votes