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TESTIMONY OF DANIEL NĀHOʻOPIʻI INTERIM PRESIDENT & CEO, HAWAIʻI TOURISM AUTHORITY BEFORE THE HOUSE COMMITTEE ON TOURISM Tuesday, January 30, 2024 10:00 a.m.

In consideration of

HB 2563 RELATING TO THE HAWAI'I TOURISM AUTHORITY

Aloha Chair Quinlan, Vice Chair Hussey-Burdick, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) supports 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 kamaʻāina 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.

In the proposed 201B-A(c), HTA offers the following language for consideration to ensure accessibility to Hawai'i's multi-lingual community as well as visitors from our key source markets:

(c) The mobile application required under subsection (a) shall be accessible to people with disabilities and available in multiple languages, including but not limited to Hawai'i's official state languages, the recommendations of the state's office of language access, and the recommendations of the authority.

We stand ready to work on this exciting initiative. Mahalo for the opportunity to testify in support of this measure.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR

OFFICE OF THE PUBLIC DEFENDER

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

LUIS P. SALAVERIA

SABRINA NASIR DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE

Ka 'Oihana Mālama Mo'ohelu a Kālā P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150 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 HOUSE COMMITTEE ON TOURISM
ON
HOUSE BILL NO. 2563

January 30, 2024 10:00 a.m. Room 423 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 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 1.00 manager position 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, it is difficult to determine whether the proposed special fund would be self-sustaining.

Furthermore, 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.

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, HAWAI'I 96813 PHONE: (808) 768-7684 • FAX: (808) 768-7807 • WEBSITE: honolulu.gov/it

RICK BLANGIARDI MAYOR *MEIA*



January 29, 2024

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

> STEPHEN COURTNEY DEPUTY DIRECTOR HOPE PO'O

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
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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,

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



January 29, 2024

Aloha Chairs and committee members,

My name is Antoinette Davis and I'm the President and founder of PonoRez a real time reservation software that provides online bookings to many of the activities in the state. One of our largest clients is Kualoa Ranch. I am also the Executive Director of the Activities and Attractions Association of Hawaii, Inc. (A3H) It is with this expertise that we **oppose HB2563** as written.

- 1. There is no need for a large effort at collecting and dispersing the collected fees. Technology exists where multiple items in a shopping cart may be deposited directly to separate accounts. This part of the bill should be modified to be simple. No holding of funds. PonoRez has built such a shopping cart on <u>Hawaiifun.org</u> (where a visitor can purchase their boat trip, luau and helicopter tickets in one shopping cart and the monies are distributed directly to each company). This site is owned by A3H books directly with the members no commission no cost and via their companies gateway deposited immediately to their account.
- 2. A3H supports having applications online for permits and licensing, this part is great and welcomed. This is something DLNR was mandated to do by Legislators last year I will follow up on this status before tomorrows hearing.
- 3. Creating an APP is duplicitous GoHawaii.com is the APP for visitors in many languages and this was created by HVCB as part of their HTA marketing contract this APP should be used for the front facing visitors and residents wanting to learn more and make reservations at county/state parks.
- 4. Our state government needs less layers and to work with the legal commercial operations. There is *a world of opportunity & benefits* being missed by our government, community and small businesses due to this lack of collaboration.
- 5. I question the long-term vision of this Bill. Staying positive and away the compelling nefarious thoughts it seems a bit of an overreach thinking an APP was chosen as the medium to enable tracking of people in specific location. Gathering a better understanding of the impacts by location. If this is the case this technology already exists.

Following COVID, Venice was one the large tourist destinations that responded to the lack of management and the depletion of the city's community fabric - the over tourism damage was evident. In part from short-term rentals and too many people. Today Venice is using technology to track people (identify) by their cell phone connections and see where the crowds are and



where are not. The piece they are missing is to alert visitors to locations that have few visitors and aways from those already at capacity. This can be accomplished via the HVCB GoHawaii APP. Have people sign up (Opt in) for alerts - FCC compliant and text them with good helpful information allowing them to put in STOP at any time to withdraw.

I may have more to share at the hearing. I am pressed for time and want to get this in.

Mahalo for your time,

Antoinette M Davis President/Founder Kula Software Systems, Inc. dba: PonoRez

HB-2563

Submitted on: 1/27/2024 1:07:09 PM

Testimony for TOU on 1/30/2024 10:00:00 AM

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

Comments:

I support this measure and the establishment of a mobile application for commercial and recreational activities. This will help monitor and protect our natural resources from being overburdened and destroyed by too many visitors. This is the same goal behind what they do at Hanauma Bay.



Testimony of
Mufi Hannemann
President & CEO
Hawai'i Lodging & Tourism Association

House Committee on Tourism

HB 2563: Relating to the Hawai'i Tourism Authority

January 30, 2024

Aloha Chair Quinlan and Members of the Committee,

On behalf of the Hawai'i Lodging & Tourism Association, the state's oldest and largest private sector tourism organization, representing 700 members, nearly 50,000 hotel rooms, and 40,000 lodging workers, we are writing in support of HB 2563. This measure would require the Hawai'i Tourism Authority to contract a third party in developing and launching a mobile application to consolidate all online application processes, including the collection of reservation fees, for recreational and commercial activities regulated by or under the jurisdiction of state and county agencies.

The implementation of such a mobile application aligns seamlessly with the concept of destination management. By centralizing state and local government permit processes into a user-friendly digital platform, we can significantly simplify the application procedures for local residents, visitors, and commercial activity operators. This would help manage activities taking place within our parks, campsites, trails, and other natural resources.

Moreover, the proposed mobile app holds the potential to facilitate the creation of meaningful itineraries for patrons of these resources. By guiding users to sites and experiences that can responsibly accommodate them, we can ensure a more respectful and regenerative form of tourism.

HB 2563 marks a positive stride towards fostering responsible tourism in our state and the Hawai'i Lodging & Tourism Association stands in support of this measure, recognizing its potential to enhance the visitor experience while promoting the mindful use of our cherished natural resources.

Mahalo for the opportunity to provide this testimony.