

## TESTIMONY OF DANIEL NĀHOʻOPIʻI INTERIM PRESIDENT & CEO, HAWAIʻI TOURISM AUTHORITY BEFORE THE SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM Tuesday, February 13, 2024 1:20 p.m. In consideration of SB 2406 RELATING TO THE HAWAIʻI TOURISM AUTHORITY

Aloha Chair DeCoite, Vice Chair Wakai, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer comments on SB2406, which would require contracts entered into by HTA for management of the Hawai'i Convention Center (HCC) facility to include marketing for all uses of the facility.

HCC is and key to the capacity of the Hawaiian Islands to host large meetings, conventions, and incentives. In 2019, HB226 passed allowing HTA to contract the marketing of all uses of the HCC seperately from the management of the facility. Events of scale often require coordination with multiple properties and venues. Sales are approached as selling a destination (Hawai'i) and not selling just a single venue. This allows development and education of the potential client, particularly finding and developing new clients, and identifying new industries. The benefit of a separate marketing arm that also does single-property sales is the ability to exchange leads from single property or vice versa.

Current statute allows HTA to procure marketing services through a competetive bidding process seeking the best value for the state. Nothing precludes the firm managing HCC from bidding on that procurement. In December 2021, HTA awarded a contract for Global Meetings, Conventions, and Incentives Marketing and Management Services for the Hawaiian Islands that commenced in January 2022. That contractor has been working diligently to rebuild our meetings, conventions and incentives business in the wake of the pandemic.

Our current HCC management contractor and our Meet Hawai'i contractor have been working well together. In other competitive destinations, it is common practice to separate the marketing and operations of their convention centers. Our current arrangement reflects this common industry practice. This measure would remove HTA's ability to seek competitive proposals for this service through the state procurement process.

Planning large scale meetings involves long lead times and often takes years of preparation to execute. With Hawai'i's recovery in that market still in progress and on the right track, this is an especially fragile time to disrupt that important work.

Mahalo for the opportunity to provide these comments on SB2406.

### <u>SB-2406</u> Submitted on: 2/11/2024 4:04:59 PM Testimony for EET on 2/13/2024 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Bruce Ramsey	Individual	Support	Written Testimony Only

Comments:

I support the 25\$ fee on Transient Vacation Accommodations, although it should be \$25 each time it's rented out, and not just once a month. Tourism has a substantial negative impact on our natural resources and our communities. It's about time our state assesses some fees on the tourists to help mitigate the problems they cause.

#### <u>SB-2406</u>

Submitted on: 2/11/2024 6:58:03 PM Testimony for EET on 2/13/2024 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lea Hollingsworth- Ramsey	Individual	Support	Written Testimony Only

Comments:

I support the establishment of the Climate, Health, and Environmental Action special fund within the Department of Land and Natural Resources. The funding would come from a \$25-a-month tax per unit on transient vacation accommodations. I do wish the tax was imposed every time the unit was rented, instead of a once-a-month tax regardless of how many times it's rented in the month. Very few tourists stay for a whole month. Most are here for 5 days or a week. So one unit has the potential of being occupied by 4 to 5 different tenants in a month. Tourism has a significant impact on our natural resources, residents, and our communities. Tourists use our water, drive on our roads, go to our beaches, eat our food, and most travel here via air, which has a large carbon footprint. All of this contributes to the degradation of our beautiful islands. 25\$ per unit for an entire month is not enough, but it is a start. Therefore I urge you to support SB2406. Lea Hollingsworth-Ramsey

# <u>SB-2406</u>

Submitted on: 2/12/2024 5:20:49 AM Testimony for EET on 2/13/2024 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robin Kaye	Individual	Support	Written Testimony Only

Comments:

This bill is a good start for providing *significant* taxpayer-funded resources to DLNR. Additional funds still need to be provided for the preservation and protection of our natural resources.



#### <u>SB-2406</u> Submitted on: 2/12/2024 10:11:39 PM Testimony for EET on 2/13/2024 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shannon Matson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and Committee Members,

Please pass this good bill to provide funding to prevent climate crises and protect our islands

natural and cultural resources.

- The fund will be in the Department of Land and Natural Resources (DLNR) and used to minimize and address the impacts of climate change and overuse of Hawaii's natural and cultural resources.
- A \$25-dollar monthly tax will be assessed and collected on transient accommodations to create this dedicated funding source. This fee only applies to accommodations that charge a fee.
- Each year DLNR shall allocate at least 25% of the funds for grants to counties and nonprofit organizations to plan and implement climate crisis prevention projects, improve the health and sustainability of our lands, streams, and ocean.
- Fund money shall be used for wildfire prevention, sites frequented by tourists, sensitive environmental and cultural resources, flood prevention, coral reef protection and restoration, shoreline restoration and coastal management, fencing to keep pigs out of sensitive areas, stop the spread of invasive species and tree planting.
- A technical advisory committee shall be created with experts in wildfire prevention and response, experts in coral reefs, forest, stream, and watershed protection and restoration, protection and restoration of Hawaiian cultural sites, and experts in climate change resilience.

The Department of Land and Natural Resources, which oversees thousands of acres of land, cultural sites, water, and ocean resources, boating, forests and wildlife, and state parks has been underfunded by the legislature for years.

SB 2406 ensures that DLNR will have adequate funding to protect Hawaii's fragile and finite natural and cultural resources for future generations.

Mahalo,

Shannon M.

Hawai'i Island Resident