



TESTIMONY OF DANIEL NĀHO'OPI'I
INTERIM PRESIDENT & CEO, HAWAII TOURISM AUTHORITY
BEFORE THE SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT,
AND TOURISM
Thursday, February 8, 2024 1:01 p.m.
In consideration of
SB 3006
RELATING TO THE CONVENTION CENTER

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

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer our support for SB3006, which would enable the sale of naming rights by exempting the Convention Center from requirements regarding concessions on public property, and authorizing the sale of advertising and marketing on and in the Hawai'i Convention Center.

Over the quarter century that the Hawai'i Convention Center has been operating, it has hosted high-profile international convenings, national and local conferences and conventions, beloved festivals and events, athletic events attracting participants locally and from abroad, and served as an important hub for the state's response to emergencies.

Many prestigious venues across the U.S. have sold naming rights. An initial analysis was performed by ASM Global, one of the world's leading venue management companies, taking into account the market as well as volume of events and demographics of guests at our center. That analysis values the naming rights for the Hawai'i Convention Center at up to \$500,000 in the first year, escalating to a 20-year agreement value of over \$13 million.

This measure opens additional possibilities for funding to address the center's repair and maintenance needs into the future, and HTA appreciates the availability of these possibilities. Mahalo for the opportunity to provide these comments in support of this measure.



Cade Watanabe, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Eric W. Gill, Senior Vice-President

February 5, 2024

Committee On Energy, Economic Development, and Tourism
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

Testimony in opposition to SB3006

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

UNITE HERE Local 5 represents 10,000 working people in the hotel, food service and health care industries across Hawaii. We are opposed to SB3006, which would allow the State to lease out concessions at the Hawaii Convention Center without competitive bidding.

The list of public properties exempt from competitive bidding continues to grow, but it is unclear if or how such exemptions have ever benefited the State. It certainly is not clear why the Convention Center should be added to that list.

We feel this, like all measures to get around State procurement laws, is not in the public interest. It would remove transparency from the process by which our public facilities and lands are leased to corporations. It would remove the public from the process. Further, it is anti-competitive, and we do not understand how it would serve the best interests of the State to not analyze competing proposals - especially if concessions are meant to generate revenue for the State.

Please oppose this measure.

Thank you for your consideration.



**HAWAI'I LODGING & TOURISM
ASSOCIATION**

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

**Senate Committee on Energy, Economic Development and Tourism (EET)
SB3006 RELATING TO THE CONVENTION CENTER**

**February 8, 2023
Position: SUPPORT**

Chair DeCoite and members of the Committee,

On behalf of the Hawai'i Lodging & Tourism Association, the oldest and largest private sector tourism organization in the state, we express our support for SB3006 relating to the Convention Center. This bill would allow the sale of naming rights by the Convention Center and would authorize the sale of advertising on and in the Hawai'i Convention Center facility.

Naming rights agreements offer numerous benefits for the Convention Center, our tourism industry, and our communities. They can generate essential funds for the maintenance, upgrades, and operation of the Hawai'i Convention Center. Furthermore, they facilitate partnerships between the Convention Center and local businesses, fostering mutually beneficial collaborations. By establishing connections with community businesses, our state's convention center can access additional resources, expertise, and promotional opportunities, thereby driving innovation, attracting new events, and enhancing the overall experience for both visitors and kama'āina.

Moreover, such agreements could bolster the appeal of our state, making it more enticing to attract Meetings, Incentives, Conferences, and Exhibitions (MICE) travel. Strengthening partnerships with recognizable brands or companies in this manner could significantly increase business travel, which is known for its high spending impact on local businesses and low impact on our natural resources.

For these reasons, we fully support SB3006 and urge the committee to advance its passage.

Mahalo for considering our testimony.