



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

BUSINESS DEVELOPMENT AND SUPPORT DIVISION

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Statement of
DENNIS T. LING
Administrator

Business Development and Support Division
Department of Business, Economic Development, and Tourism
before the

**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
SENATE COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS**

Monday, March 23, 2026
1:15PM
State Capitol, Conference Room 224

In consideration of
HB1943, HD1
RELATING TO ECONOMIC DEVELOPMENT

Chairs Lee and Todd, Vice Chairs Inouye and Takenouchi and members of the Committees. The Business Development and Support Division (BDSB) of the Department of Business, Economic Development and Tourism (DBEDT) offers the following comments on **HB1943, HD1**, which seeks to:

1. expand the purposes of out-of-state offices to collaborate with tourism agencies and stakeholders;
2. establish a Hawai'i Trade and Promotion Office in Seoul, Republic of Korea; and
3. appropriate funds for the promotion of "Made in Hawai'i" products for export.

Collaboration with tourism agencies and stakeholders is already occurring within DBEDT's China and Taipei offices, where HTA and DBEDT share the same executive director to coordinate synergistic initiatives. This model has proven effective and serves as a template for future out-of-state offices.

Regarding the establishment of an office in Seoul, the Republic of Korea is one of Hawai'i's most significant international partners. Korean consumers, investors, and visitors have long demonstrated strong affinity for Hawai'i's culture, products, and values. Korea remains a leading source of international visitors, a growing source of

foreign direct investment, and a high-value export market for specialty foods, coffee, macadamia products, apparel, wellness goods, and creative industry products.

A dedicated Seoul office would greatly enhance Hawai'i's ability to promote "Hawai'i Made" products, assist small and medium-sized businesses entering Asian markets, and deepen long-standing cultural and economic ties. Korea's advanced retail infrastructure and logistics networks make it one of the most strategic locations for establishing a permanent presence. The office would serve as a hub for export promotion and market entry support, retail and distribution partnerships, trade missions and buyer delegations, Hawai'i branding and marketing campaigns, and cultural and educational exchanges that reinforce Hawai'i's global identity.

To operate a fully functional Seoul office, DBEDT would require an annual appropriation of \$233,500, including:

- Executive Director (full-time) – \$90,000
- Administrative Assistant (full-time) – \$30,000
- Rent – \$30,000
- Furniture & equipment – \$10,000
- Program & deliverables – \$50,000
- Budget & finance restrictions – \$23,500

With respect to appropriating funds for DBEDT to market "Made in Hawai'i" products through its Beijing, Taipei, and Philippines offices, this support aligns with DBEDT's mission to diversify Hawai'i's economy, expand global markets, and strengthen international partnerships. It also advances the Legislature's long-standing goal of reducing Hawai'i's overreliance on tourism by growing export-driven industries. Previously, federal SBA funding of approximately \$150,000 annually supported these initiatives; with those funds no longer available, state appropriations are necessary to maintain this work.

Mahalo for the opportunity to testify.



TESTIMONY OF DAVE ERDMAN
INTERIM PRESIDENT & CEO
RETAIL MERCHANTS OF HAWAI'I

**IN SUPPORT OF HB 1943 HD1 – RELATING TO ECONOMIC DEVELOPMENT
COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM**

COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS
MONDAY, MARCH 23, 2026, 1:15 PM
CONFERENCE ROOM 224 & VIDEOCONFERENCE
STATE CAPITOL

Aloha Chair DeCoite, Vice Chair Wakai, Chair Lee, Vice Chair Inouye, and Members of the Committees:

My name is Dave Erdman, and I serve as Interim President and CEO of the Retail Merchants of Hawai'i (RMH), a statewide nonprofit trade organization committed to supporting the growth and development of Hawai'i's retail industry. RMH represents retailers, shopping centers, product manufacturers, restaurants operating within retail environments, and allied service providers across the state.

Retail Merchants of Hawai'i **supports HB 1943 HD1**, which strengthens Hawai'i's international economic development platform by supporting the establishment of an out-of-state office in Seoul, Republic of Korea, and by providing funding for the Department of Business, Economic Development, and Tourism's offices in Beijing, Taipei, and the Philippines to promote "Made in Hawai'i" branded products and increase exports.

For Hawai'i retailers and local manufacturers, export growth is an important opportunity to expand beyond Hawai'i's limited local consumer base. Many Hawai'i-based businesses operate in a high-cost environment, and access to Asia-Pacific markets can provide opportunities for scale, revenue diversification, and long-term business stability. Increased export activity also supports the broader retail ecosystem, including distributors, logistics providers, wholesalers, and transportation partners that help move Hawai'i products to global markets.

RMH also supports the measure's emphasis on collaboration with tourism agencies and stakeholders to execute tourism strategies. Tourism and product demand are closely linked. Visitors who experience Hawai'i-made products while traveling here often become repeat purchasers in their home markets. Coordinated tourism and trade promotion can extend the

economic impact of each visitor well beyond their stay while supporting retailers, shopping centers, and local brands statewide.

The inclusion of Seoul as a new out-of-state office, along with continued support for Beijing, Taipei, and the Philippines, broadens Hawai'i's engagement across multiple growth markets and supports diversification of international economic partnerships. These efforts can create additional opportunities for small and mid-sized Hawai'i businesses that may not otherwise have the resources to independently enter international markets.

Retail Merchants of Hawai'i respectfully supports HB 1943 HD1 and appreciates the Committees' consideration of investments that position Hawai'i businesses for growth in international markets.

Mahalo for the opportunity to provide testimony.

Respectfully submitted,
Dave Erdman
Interim President and CEO
Retail Merchants of Hawai'i

Testimony to the Senate Committee on Water, Land, Culture and the Arts
Senator Chris Lee, Chair
Senator Lorraine R. Inouye, Vice Chair

Testimony to the Senate Committee on Economic Development and Tourism
Senator Lynn DeCoite, Chair
Senator Glenn Wakai, Vice Chair

Monday, March 23, 2026, at 1:15PM
Conference Room 224 & Videoconference

RE: HB1943 HD1 Relating to Economic Development

Aloha e Chair Lee, Vice Chair Inouye, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1943 House Draft 1 (HB1943 HD1), which expands the purposes of the establishment and operation of out-of-state offices to include collaboration with tourism agencies and stakeholders to execute tourism strategies. Requires, and appropriates funds for, the Department of Business, Economic Development, and Tourism to establish an out-of-state office in Seoul, Republic of Korea. Appropriates funds for the Department of Business, Economic Development, and Tourism's Beijing, Philippines, and Taipei offices to promote "Made in Hawai'i" branded products and increase the export of Hawai'i products.

HB1943 HD1 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Travel & Tourism. By establishing new offices in Seoul, Beijing, and Taipei, this bill advances global marketing efforts for "Made in Hawaii" products and boosts visitor attraction in growing markets, which complements the Blueprint's goal of expanding regional tourism strategies to accelerate tourism-driven economic growth. Such advocacy for our Made in Hawaii brands further stimulates our local economies and small businesses, bringing international money and investment incentive into the state.

In the first 11 months of 2025, approximately 147,070 visitors from South Korea traveled to Hawaii and spent \$382.9 million, a 7.1% increase in arrivals and a 4.7% increase in spending from 2024. In 2024, Hawaii welcomed 51,579 visitors from China, a 51.9% increase from 2023. These markets represent serious growth opportunities for tourism in Hawaii and pose themselves as strong places to fund and deploy the physical presence of DBEDT. This bill will boost trade and stimulate regional tourism in a way that can reinvigorate the tourism economy.

We respectfully ask to pass House Bill 1943 House Draft 1. Thank you for the opportunity to testify.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.



March 23, 2026

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

Sen. Lynn DeCoite, Chair; Sen. Glenn Wakai, Vice Chair; and Committee Members

SENATE COMMITTEE ON WATER, LAND, CULTURE, AND THE ARTS

Sen. Chris Lee, Chair; Sen. Lorraine Inouye, Vice Chair; and Committee Members

Public Hearing, March 23, 2026, 1:15 p.m. – Conference Room 224, State Capitol

**Testimony of William F. Anonsen, Managing Partner/Principal of The Maritime Group
In Support of H.B. 1943 HD1, Relating to International Relations**

My name is William F. Anonsen, and I am the Managing Partner of The Maritime Group, a Council Member of the Hawai'i Pacific Export Council (HPEC), and a member of the Consular Corps of Hawai'i. We respectfully offer our continued strong support for H.B. 1943, HD1, which expands offices to promote "Made in Hawai'i" products.

We commend the Committee for its thoughtful review and favorable recommendation of this measure, recognizing its importance to Hawai'i's economic future. This bill takes important and strategic steps to strengthen Hawai'i's global economic engagement by expanding the role of out-of-state offices, establishing a presence in Seoul, and enhancing existing offices in Beijing, the Philippines, and Taipei to promote "Made in Hawai'i" products and expand exports. For Hawai'i, an island economy with a limited local market, access to international markets is essential. This measure supports local businesses, agricultural producers, and manufacturers by creating pathways to grow beyond our geographic constraints while also strengthening tourism, investment, and cultural exchange.

The proposed office in Seoul represents a particularly prudent investment, given Korea's importance as both a visitor market and economic partner. A dedicated presence will enhance business development opportunities, support export growth, and strengthen long-standing ties. Equally important is continued support for DBEDT's offices in Beijing, the Philippines, and Taipei, which serve as critical platforms for promoting Hawai'i products, fostering partnerships, and expanding economic opportunities for our local industries.

As reflected in the House Committee Report, this measure has received broad support from Hawai'i's business community, underscoring the importance of maintaining a proactive and coordinated international presence. In today's competitive global environment, Hawai'i must remain engaged, visible, and strategic in key markets. This measure advances economic diversification, export growth, and long-term resilience in a thoughtful and responsible manner. For these reasons, we respectfully urge your continued support for H.B. 1943, HD1.

Respectfully submitted,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal
THE MARITIME GROUP

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MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TOURISM AND
COMMITTEE ON WATER, LAND, CULTURE, AND THE ARTS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 224
MONDAY, MARCH 23, 2026 AT 1:15 P.M.**

To The Honorable Senator Lynn DeCoite, Chair
The Honorable Senator Glenn Wakai, Vice Chair
Members of the Committee on Economic Development & Tourism

To The Honorable Senator Chris Lee, Chair
The Honorable Senator Lorraine R. Inouye, Vice Chair
Members of the Committee on Water, Land, Culture, and the Arts

SUPPORT FOR HB1943 HD1 RELATED TO ECONOMIC DEVELOPMENT

The Maui Chamber of Commerce supports initiatives that expand opportunities for local businesses and strengthen our state's economic resilience. HB1943 is significant to our mission because it aims to enhance the visibility and export potential of Hawai'i-based products while supporting the recovery and long-term vitality of our economy, especially as Maui and other communities continue to face economic challenges.

By expanding the purposes of out-of-state offices and establishing a new office in Seoul, the bill supports proactive engagement with key international markets. These offices can serve as vital conduits for promoting "Made in Hawaii" and "Made in Maui County" products, facilitating business-to-business connections, and attracting new investment. For Maui and the broader state, increased exports and tourism engagement can help businesses recover from revenue losses and adapt to changing market conditions, as well as support our growing local manufacturing industry.

We respectfully recommend regular stakeholder engagement to ensure that the intended economic benefits are realized statewide, including for small and medium-sized enterprises and those on the neighbor islands. Continued collaboration with local business communities will be key to maximizing the impact of these out-of-state offices and ensuring that the benefits of economic growth are broadly shared.

Mahalo for the opportunity to share our support of HB1943 HD1.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.