



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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A HO'OMĀKA'IKA'I

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Wednesday, February 4, 2026
10:00 AM
State Capitol, Conference Room 423

In consideration of
HB1943
RELATING TO ECONOMIC DEVELOPMENT

Chair Ilagan, Vice Chair Hussey and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) supports the intent of **HB1943** to establish a Hawai'i Trade and Promotion Office in Seoul, Republic of Korea, under (DBEDT).

The Republic of Korea is one of Hawai'i's most important international partners. Korean consumers, investors, and visitors have long demonstrated a deep affinity for Hawai'i's culture, products, and values. Korea remains a top international visitor market, a growing source of foreign direct investment, and a high-value export destination for specialty foods, coffee, macadamia products, apparel, wellness goods, and creative industries.

A dedicated Seoul office would significantly expand Hawai'i's ability to promote "Hawai'i Made" branded products, support small and medium-sized businesses entering Asian markets, and strengthen long-standing cultural and economic ties. Korea's strong retail infrastructure and advanced logistics networks make it one of the most strategic locations for Hawai'i to establish a permanent presence.

The office would serve as a hub for export promotion and market entry support for Hawai'i businesses, retail and distribution partnerships with Korean companies, trade missions and buyer delegations, branding and marketing campaigns for "Hawai'i Made" products, and cultural and educational exchanges that reinforce Hawai'i's global identity.

This initiative directly aligns with DBEDT's mission to diversify Hawai'i's economy, expand global markets, and strengthen international partnerships. It also supports the Legislature's long-standing priority of reducing Hawai'i's over-reliance on tourism by growing export-driven industries.

To operate a fully functional overseas office, DBEDT requires an annual appropriation of \$233,500, which would include:

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|---|----------|
| 1. Salary (executive director, full-time) | \$90,000 |
| 2. Salary (administrative assistant, full-time) | \$30,000 |
| 3. Rent | \$30,000 |
| 4. Furniture & equipment | \$10,000 |
| 5. Program & deliverables | \$50,000 |
| 6. Budget & finance restrictions | \$23,500 |

Mahalo for the opportunity to testify.



TESTIMONY OF DAVE ERDMAN, PRESIDENT & CEO
RETAIL MERCHANTS OF HAWAII

FEBRUARY 2, 2026

IN SUPPORT OF HB 1943 – RELATING TO ECONOMIC DEVELOPMENT

Aloha Chair, Vice Chair, and Members of the Committee:

My name is Dave Erdman, and I am the Interim President and CEO of Retail Merchants of Hawai'i, a statewide nonprofit trade association representing retailers, product manufacturers, shopping centers, and allied businesses across the islands.

Retail Merchants of Hawai'i supports HB 1943.

This measure strengthens Hawai'i's economic development strategy by expanding the purpose of out-of-state offices to better serve Hawai'i businesses and tourism, and by investing in key international markets through offices in Seoul, Beijing, and Taipei.

Retail Merchants of Hawai'i strongly supports the bill's focus on promoting "Made in Hawai'i" branded products and increasing the export of Hawai'i-made goods. Expanding export opportunities in Asia is critical to helping Hawai'i retailers and local product manufacturers grow beyond the limits of our small local market and reduce over-reliance on in-state sales or the U.S. mainland.

These international offices can help Hawai'i businesses access new buyers, distributors, and retail channels; support small and mid-sized companies that lack the resources to enter foreign markets; strengthen supply-chain and logistics partnerships; and build long-term business relationships in key Asia-Pacific markets.

Retail Merchants of Hawai'i also believes these offices can work in close coordination with U.S. Commercial Service offices and other trade partners in South Korea and Taiwan to maximize effectiveness and avoid duplication.

For these reasons, Retail Merchants of Hawai'i respectfully supports HB 1943 and appreciates the Legislature's commitment to expanding economic opportunity for Hawai'i businesses through international engagement.

Mahalo for the opportunity to provide testimony.

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



Testimony to the House Committee on Tourism

Representative Adrian K. Tam, Chair

Representative Shirley Ann Templo, Vice Chair

Testimony to the House Committee on Economic Development & Technology

Chair Gregggor Ilagan

Vice Chair Ikaika Hussey

Wednesday, February 4, 2026, at 10:00AM

Conference Room 423 & Videoconference

RE: HB1943 Relating to Economic Development

Aloha e Chair Tam, Vice Chair Templo, Chair Ilagan, Vice Chair Hussey, and Members of the Committees:

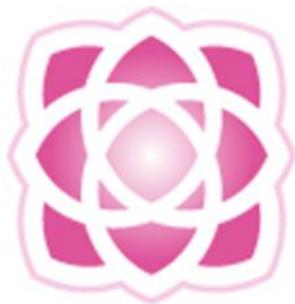
My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1943 (HB1943), which funds an expansion of DBEDT offices into out-of-state locations to promote "Made in Hawaii" branded products and increase the export of Hawaii products. These locations include: Seoul, Republic of Korea; Beijing; and Taipei.

HB1943 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. 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.



**HEARING BEFORE THE HOUSE COMMITTEE ON
ECONOMIC DEVELOPMENT & TECHNOLOGY AND COMMITTEE ON TOURISM
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 423
WEDNESDAY, FEBRUARY 4, 2026 AT 10:00 A.M.**

To The Honorable Representative Greggor Ilagan, Chair
The Honorable Representative Ikaika Hussey, Vice Chair
Members of the Committee on Economic Development & Technology

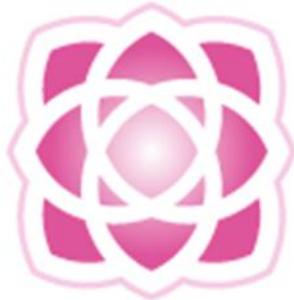
To The Honorable Representative Adrian K. Tam, Chair
The Honorable Representative Shirley Ann Templo, Vice Chair
Members of the Committee on Tourism

SUPPORT FOR HB1943 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 challenges from recent economic disruptions.

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. Such efforts align with best practices in economic development, where targeted international outreach has been shown to foster export growth and diversify local economies. 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.

Additionally, appropriating funds for existing offices in Beijing and Taipei to promote Hawai'i products is a practical step toward capitalizing on established relationships and infrastructure. This approach leverages prior investments and can accelerate the expansion of market access for Hawai'i manufacturers, food producers, and creative industries. Diversifying our economic base not only supports current businesses but also lays the groundwork for future innovation and job creation, which is essential for long-term prosperity.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

Committee on Economic Development & Tourism and Committee on Tourism

February 4, 2026

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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.

Sincerely,

Pamela Tumpap

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.