



**HAWAI'I LODGING & TOURISM**  
**ASSOCIATION**

Testimony of

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

Senate Committee on  
Ways and Means

House Bill 2605 HD2, SD1 – Relating to Transient Accommodations

Chair Dela Cruz and members of the committee, mahalo for the opportunity to offer this testimony on behalf of the nearly 700 members of the Hawai'i Lodging & Tourism Association, the state's largest private sector visitor industry organization.

We appreciate the amendments made in House Bill 2605 HD2 SD1 as it reflects language from Senate Bill 2963 SD1 a major priority bill of HLTA which was originally passed out of the Senate with a 25-0 vote. The HLTA **strongly supports** this measure, as we did a similar measure last session, which would allow online hotel and vacation booking companies to collect the TAT and GET from their hosts, as well as add layers of transparency, enforcement and accountability to the short term online rental markets and their operators.

It is the goal of the hospitality industry, which we represent, to ensure a level playing field for all visitor accommodations, from the traditional hospitality businesses to the alternative accommodations offered online. There are an estimated 25,000 alternative accommodations in the Hawaiian Islands competing with hotels, resorts, timeshares, and bed-and-breakfasts, except that the majority of them are most likely avoiding proper tax registrations, county zoning laws, and are skirting our 10.25 percent Transient Accommodations Tax, and our General Excise Tax.

Through HB 2605 HD2 SD1 we are glad to see that many of the visitor industry's concerns from the past two years have been addressed. This includes the issues of transparency, registration, accountability, and enforcement. We strongly support this measure as it requires the transient accommodations brokers to ensure their operators obtain a GET license and TAT registration as well as ensure they are compliant with county zoning and land use ordinance, it requires the tax collection agents to file proper periodic returns with the state, it requires the operators or plan managers to remove any advertisement that isn't compliant with state or county laws, it makes it unlawful for hosting platforms to collect fees from booking services of non-compliant transient vacation rentals and it also allocates up to \$1,000,000 to each of the counties to support enforcement of land use ordinances.

This bill will help us achieve a level playing field in regard to collecting taxes owed, provide for greater transparency and accountability for hosting platforms and their operators, as well as safeguard the proliferation of illegal rentals in our communities. Affordable housing opportunities for our local

residents are increasingly difficult to come by in a number of communities that are witnessing the growth of illegal rentals in their neighborhoods.

We commend the committees on Economic Development, Tourism and Technology, and Public Safety, Intergovernmental, and Military Affairs for their deliberations on HB2605 HD2 SD1, and we thank the Senate Ways and Means Chair Dela Cruz and Senate Economic Development, Tourism and Technology Chair Wakai for their leadership in championing this very important issue.

Mahalo.

Sincerely,



**Mufi Hannemann**  
President & CEO



**Gregg Nelson**  
Chairman of the Board



**Glenn Vergara**  
Chairperson Elect



**Michael Jokovich**  
Vice Chairperson



**Bonnie Kiyabu**  
Oahu Chapter Chairperson



**Angela Nolan**  
Maui Chapter Chairperson



**Steve Yannarell**  
Hawai'i Island Chapter Chairperson



**Jim Braman**  
Kaua'i Chapter Chairperson

The Following is a list of hotels represented by the Hawaii Lodging & Tourism Association:

Aqua-Aston Hospitality, LLC	Aston at the Executive Centre Hotel
Castle Resorts & Hotels	Aston at the Maui Banyan
Colony Capital, LLC	Aston at the Waikiki Banyan
Halekulani Corporation	Aston at The Whaler on Kaanapali Beach
Hawaiian Hotels & Resorts, LLC	Aston Islander on the Beach
Highgate Hotels	Aston Kaanapali Shores
Hilton Grand Vacations	Aston Kona by the Sea
InterContinental Hotels Group	Aston Mahana at Kaanapali
Ko Olina Resort	Aston Maui Hill
Kyo-ya Company LLC	Aston Maui Kaanapali Villas
Kyo-ya Management Company, Ltd.	Aston Shores at Waikoloa
Lucky Hotels U.S.A. Co., Ltd.	Aston Waikiki Beach Hotel
Marriott International, Inc.	Aston Waikiki Beach Tower
Outrigger Enterprises Group	Aston Waikiki Beachside Hotel
Prince Resorts Hawaii, Inc.	Aston Waikiki Circle Hotel
Pulama Lana`i	Aston Waikiki Sunset
Sasada International, LLC	Aston Waikoloa Colony Villas
Aina Nalu Lahaina by Outrigger	Aulani, a Disney Resort & Spa
Airport Honolulu Hotel	Best Western Pioneer Inn
Ala Moana Hotel	Best Western The Plaza Hotel
Alohilani Resort Waikiki Beach	Breakers Hotel
Ambassador Hotel Waikiki	Coconut Waikiki Hotel
Andaz Maui at Wailea Resort	Courtyard by Marriott Kaua'i at Coconut Beach
Aqua Aloha Surf Waikiki	Courtyard by Marriott King Kamehameha's Kona Beach
Aqua Bamboo & Spa	Courtyard by Marriott Waikiki Beach
Aqua Kauai Beach Resort	Courtyard Oahu North Shore
Aqua Oasis	Doubletree by Hilton Alana Waikiki Hotel
Aqua Pacific Monarch	Embassy Suites by Hilton Oahu Kapolei
Aqua Palms Waikiki	Embassy Suites by Hilton Waikiki Beach Walk
Aqua Park Shore Waikiki	Ewa Hotel Waikiki - A Lite Hotel
Aqua Skyline at Island Colony	Fairmont Orchid Hawaii
Aqua White Sands Hotel	Four Seasons Resort Lana`i
Aston at Papakea Resort	Four Seasons Resort Maui
Aston at Poipu Kai	Four Seasons Resort O'ahu at Ko Olina

Grand Hyatt Kauai Resort & Spa  
Grand Nanioloa Hotel  
Grand Wailea  
Hale Koa Hotel  
Halekulani  
Hampton Inn & Suites, Kapolei  
Hapuna Beach Prince Hotel  
Hilton Garden Inn Kauai Wailua Bay  
Hilton Garden Inn Waikiki Beach  
Hilton Grand Vacations at Waikoloa Beach Resort  
Hilton Grand Vacations Club  
Hilton Hawaiian Village Waikiki Beach Resort  
Hilton Waikiki Beach  
Hilton Waikoloa Village Resort & Spa  
Hokulani Waikiki by Hilton Grand Vacations Club  
Holiday Inn Express Waikiki  
Holiday Inn Waikiki Beachcomber Resort  
Honua Kai Resort & Spa  
Hotel Coral Reef Resort  
Hotel Renew by Aston  
Hotel Wailea Maui  
Hyatt Centric Waikiki Beach  
Hyatt Place Waikiki Beach  
Hyatt Regency Maui Resort & Spa  
Hyatt Regency Waikiki Beach Resort & Spa  
Ilikai Hotel and Luxury Suites  
Ilima Hotel  
Ka`anapali Beach Club  
Ka`anapali Beach Hotel  
Kahana Falls  
Kauai Marriott Resort & Beach Club  
Kiahuna Plantation Resort by Castle Resorts  
Ko`a Kea Hotel & Resort  
Kona Coast Resort  
Lawai Beach Resort  
Lotus Honolulu at Diamond Head  
Luana Waikiki Hotel and Suites  
Marriott's Kauai Lagoons, Kalanipu'u  
Marriott's Ko Olina Beach Club  
Marriott's Maui Ocean Club  
Marriott's Waiohai Beach Club  
Maui Beach Hotel  
Maui Coast Hotel  
Maui Condo & Home, LLC  
Maui Eldorado Kaanapali by Outrigger  
Mauna Kea Resort  
Mauna Lani Resort  
Mauna Loa Village IOA  
Moana Surfrider, A Westin Resort & Spa  
Montage Kapalua Bay  
Napili Kai Beach Resort  
OHANA Waikiki East by Outrigger  
OHANA Waikiki Malia  
Ohia Waikiki Hotel  
Outrigger Kiahuna Plantation  
Outrigger Napili Shores  
Outrigger Palms at Wailea  
Outrigger Reef Waikiki Beach Resort  
Outrigger Regency on Beachwalk  
Outrigger Royal Sea Cliff  
Outrigger Waikiki Beach Resort  
Pacific Marina Inn  
Pagoda Hotel  
Pearl Hotel Waikiki  
Plantation Hale Suites  
Prince Waikiki  
Queen Kapiolani  
Raintree - Kona Reef Raintree Vacation Club  
Ramada Plaza Waikiki  
Royal Grove Hotel  
Royal Kahana Maui by Outrigger  
Royal Kona Resort  
Royal Lahaina Resort  
Sheraton Kauai Resort  
Sheraton Kona Resort & Spa at Keauhou Bay  
Sheraton Maui Resort and Spa  
Sheraton Princess Kaiulani  
Sheraton Waikiki Resort

Shoreline Hotel Waikiki  
St. Regis Princeville Resort  
Stay Hotel Waikiki  
The Cliffs at Princeville  
The Club at Kukui`ula  
The Fairmont Kea Lani, Maui  
The Imperial Hawaii Resort At Waikiki  
The Kahala Hotel & Resort  
The Laylow, Autograph Collection  
The MODERN Honolulu  
The New Otani Kaimana Beach Hotel  
The Point at Poipu, Diamond Resorts International  
The Ritz-Carlton Residences, Waikiki Beach  
The Ritz-Carlton, Kapalua  
The Royal Hawaiian, A Luxury Collection Resort  
The Surfjack Hotel & Swim Club  
The Westin Maui Resort & Spa  
The Westin Princeville Ocean Resort Villas  
Travaasa Hana  
Trump International Hotel Waikiki  
Turtle Bay Resort  
Vive Hotel Waikiki  
Waikiki Beach Marriott Resort & Spa  
Waikiki Grand Hotel  
Waikiki Parc Hotel  
Waikiki Resort Hotel  
Waikiki Sand Villa Hotel  
Waikiki Shore  
Waikoloa Beach Marriott Resort & Spa  
Wailea Beach Marriott Resort & Spa  
Waipouli Beach Resort & Spa by Outrigger  
Westin Ka'anapali Ocean Resort Villas  
Wyndham at Waikiki Beach Walk  
Wyndham Vacation Resorts Royal Garden at Waikiki