



HAWAI'I LODGING & TOURISM

A S S O C I A T I O N

HLTA'S 2019 GOVERNMENT AFFAIRS POSITION STATEMENTS

The mission of the Hawai'i Lodging & Tourism Association is to provide Advocacy, Education, and Philanthropy to the hospitality industry.

Airports Corporation

The Airports Corporation, in which all airports now managed by the state government would be directed by a public corporation, remains a top priority for HLTA. This proposal has been before the legislature three times, but has unfortunately been killed in the final hour on each occasion. This year we will once again advocate for its early passage and approval by the governor.

The establishment of an Airports Corporation should enable projects and improvements to be completed faster and more cost-effectively than under the current system. The condition of our airports makes the first and last impressions on our millions of visitors, and it is high time we had a corporation like this to make the changes and enhancements the airports need without the delays created by a large bureaucracy. Even better, this corporation will be in place at absolutely no additional expense to taxpayers, as the airlines themselves will help foot the bill.

Transient Vacation Rentals (TVRs)

The issue of transient vacation rentals remains a major priority of the HLTA. Proposed measures addressing this issue have failed to pass both legislative bodies for three years now, and we have since focused our attention on the county fronts. Over the past year, each of the counties has established (and some have executed) plans to better regulate the illegal short-term rental market.

From an advocacy perspective, we will continue to work with the Legislature on supporting legislation that will create parity between the traditional brick-and-mortar hotel industry and transient vacation rentals, using the momentum that the counties have started. Our goals remain:

1. Transparency, openness and accountability for both the online platforms and the individual operators.
2. Creating provisions to address the registration of transient vacation rentals and requiring hosting platforms to further provide detailed information to the department of taxation on the operators from which they are collecting taxes.
3. Holding the online operators responsible for delisting transient vacation rentals from their sites that do not comply with registration requirements.

Homelessness

Over the past five years, HLTA and its members have raised well over \$2.5 million to relieve the homelessness situation throughout Hawai'i. Last year, we helped pass a bill that would allow the state to distribute matching funds to agencies working with the homeless in tourism-impacted areas. The HLTA is currently working with the Hawai'i Tourism Authority and Department of Business, Economic Development & Tourism to use the allocated \$1 million in state matching funds to assist programs dealing with this multi-faceted issue.

Public Safety

Taking a page from the Visitor Crime Solutions Conference that took place in 1997, last year HLTA partnered with visitor industry, public safety, youth, and military stakeholders to host the first-ever Visitor Public Safety Conference. Much like the 1997 conference, which led to the creation of the Waikiki Business Improvement District and the Ambassadors of Aloha, we utilized this workshop to develop initiatives for us to act upon, such as the creation of an ad hoc committee to address the issue of cabaret licensed establishments in Waikiki. Police have acknowledged that there has been a lessening of criminal activity during 2018 surrounding the cabaret licensed areas but more needs to be done. This year we will host the second iteration of this conference early in the legislative session to: 1. Give an overview of public safety statistics, 2. Address key initiatives being proposed at both the state and county levels where support from the industry would be welcomed 3. Follow-up with advocacy efforts at both the Legislature and county councils.

HLTA also believes that we should continue best efforts at the federal, state and county levels working with all stakeholders to ensure that our communities and islands are prepared to deal with all natural or man-made disasters. Emergency preparedness initiatives at all levels should be supported and emphasized. For example, HLTA supports the implementation of a long overdue flood control mitigation plan for the Ala Wai Canal.

Transient Accommodations Tax on Resort Fees

Last year, HLTA and the visitor industry staved off an erroneous bill that would have incorporated the transient accommodations tax on all amenities and services within a hotel/resort. We can expect that there could be another attempt to tax the hotel industry's "resort fee." HLTA's stance has always been to

oppose increases to our hotel tax and the cost of doing business. Instead, we support collecting the TAT from Transient Vacation Rentals that are not paying their fair share of taxes.

We also continue our strong support for TAT funding priorities to be allocated for marketing funds for HTA, assistance to all four counties and support for the Hawai'i Convention Center.

Sports and Cultural Tourism

Working with the Hawai'i Tourism Authority and the Hawai'i Visitors and Convention Bureau, more should be done to attract and encourage world-class sporting, entertainment and cultural activities to come to Hawai'i, providing that such events generate substantive economic benefits to the state. Support should not be limited to marketing funds for these initiatives but also to the renovation and construction of state and county facilities to host these types of events.

Workforce Development

One of the challenges that the visitor industry faces is ensuring we have an educated and well-trained workforce that can assume the many jobs and responsibilities in the industry. HLTA prioritizes and spends considerable time and effort in strengthening workforce development within our educational institutions, touching upon the middle school, high school, community college, and university levels state-wide. We award tens of thousands of dollars in scholarships annually, we nurture growth with young people in the industry, we inspire student engagement with the professional world, we encourage internships with our member organizations and we involve our industry leaders in mentoring opportunities. Additionally, one of our overarching goals is to assist and help Hawai'i public schools to seek national accreditation for their hospitality and culinary academies.

We applaud the diversification efforts that our state is making to help bolster our economy, but at the end of the day tourism will remain our bread and butter, our core competence. The realm of hospitality touches all facets of education and employment. To this end, we have also established committees, councils and initiatives, such as our Generational Mentoring (GM) Program, Engineers Advisory Council, Human Resources Council, Hospitality's Young Professionals & Entrepreneurs, and our Hospitality Housekeepers Council, to name a few, that support our endeavors in various fields and professions. We look forward to continuing working with public and private partners, industry stakeholders, such as the Hawaii Tourism Association, to support meaningful, substantive measures and initiatives that meet the challenges of our time.

Managing Tourism Better: Quality Tourism Over Quantity Tourism

At times, tourism can become a victim of its own success. Many are referring to the global phenomenon of dramatic tourism growth as “over-tourism.” Many destinations around the world have resorted to measures to curb the growth of visitors, some of them draconian. That need not be the case in Hawai'i if we put in place ways to accommodate growth while preserving our quality-of-life and natural resources. We need to manage tourism better - not just market for quantity in tourism numbers, but constantly identify and incorporate measures that will focus on attracting quality tourism. Currently, the counties of Kaua'i and Maui have formulated and adopted tourism strategic plans to address the challenges of tourism growth and development, HLTA's goal is to work with all visitor industry stakeholders and partners and the public to encourage similar plans for the City and County of Honolulu, the County of Hawai'i, and for the state as a whole.