



ISLAND MATTERS *Mufi Hannemann*

Lauding HTA Chief's Collaborative Efforts

The federal government shutdown forced the closure of national parks in Hawai'i, including several of our most popular attractions. Hawai'i Volcanoes National Park and Haleakalā National Park have announced closures or limited access.

Fortunately, Pacific Historic Parks, the nonprofit that supports Pearl Harbor memorials, immediately came forward to donate \$18,000 a day to keep the USS Arizona Memorial, USS Bowfin Submarine Museum & Park, USS Missouri Memorial and Pearl Harbor Aviation Museum, and related operations open during the shutdown. But that money is coming from the group's reserves, meaning less will be available for other needs and future plans.

Hawai'i Tourism Authority has responded to this predicament by providing emergency funding that kept destinations open until Jan. 6.

New HTA president Chris Tatum demonstrated quick, decisive leadership by committing the state's money to underwrite the operation. He also reached out to those of us at Hawai'i Lodging & Tourism Association and Hawai'i Visitors & Convention Bureau to appeal to our members to support this initiative, and we issued a joint letter to our membership asking for their financial support.

The Pearl Harbor sites are an important part of our history. The USS Arizona Memorial is a national cemetery for the 1,100 sailors and soldiers who served aboard the ship, standing as a symbol for those who gave their lives for this country,



The author, Gov. David Ige and Hawai'i Tourism Authority president Chris Tatum get together at a recent Hawai'i Lodging & Tourism Association membership meeting at Four Seasons Resort O'ahu at Ko'Olina. PHOTO COURTESY MUFU HANNEMANN

and is an educational opportunity for people of all ages and backgrounds. This is a praiseworthy cause and one worth supporting

On a side note, Chris' leadership has been a breath of fresh air — not only in his commitment for the Pearl Harbor sites, but also in his desire to collaborate with the state's partners in the visitor industry.

It is also gratifying that transient accommodations tax revenues are going for actual tourism-specific needs, rather than disappearing into the state's general fund.

Another significant development in the tenure of this veteran of the hospitality industry is the changes he's made in HTA's reportage of visitor statistics.

As we had been cautioning for several months now, the new peaks in visitor arrivals have not been evenly distributed. In particular, some key takeaways from HTA's reports include the adverse effects of the Kīlauea eruption on Hawai'i Island's tourism, declin-

ing hotel occupancy statewide for five consecutive months, and the growing popularity of transient vacation rentals — most of which are operating illegally and avoiding taxes — by visitors. In fact, a little more than half our visitors stayed in hotels in 2017, but the remainder used other accommodations, like TVRs and timeshares, reports HTA.

Meanwhile, the state's projection on economic growth has been downgraded from 1.5 percent to 1 percent. While the economy will continue to expand, with no recession anticipated, economists say the economy peaked in 2015 and growth has been slowing since. They predicted visitor arrivals will decrease, as will their spending.

These figures provide evidence that the state and county governments must take long-overdue action on regulating the illegal TVR market and collecting transient accommodations and general excise taxes from these scofflaws, if only to level the playing field

between the hotel industry and TVRs, much less address the complaints from neighborhoods plagued by the proliferation of these rentals. HLTA is looking to the county governments to act on this problem given the challenges we have encountered getting the state to act decisively on the hot-button issue. Thankfully, HTA's new reporting numbers help make our case.

Latest with Na Po'e Awards

HLTA's annual Na Po'e Pa'ahana ("hard-working people") Awards will be held Jan. 10. I'll recap the highlights in a subsequent *MidWeek* column.

The awards have tradition-

ally recognized the unsung heroes of the hospitality industry, the employees who work tirelessly to create enjoyable and memorable experiences for our visitors.

Over the years, we've broadened recognition to standouts in the hospitality industry by introducing new honors to complement the career categories. For example, we now recognize the top employees based on the size of their hotel properties.

We are also according recognition to others who contribute to tourism. We have saluted the top tourism educators and restaurateurs and commended hotels for their contributions

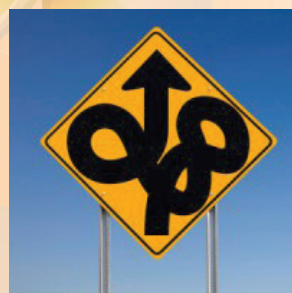
in community service and sustainability, and this year to perpetuating the Hawaiian culture and heritage.

Our allied members (non-hotel companies) have been honored annually for their achievements. While allied companies have been recognized, this year we will be honoring an allied individual for his or her leadership in the hospitality industry.

Altogether, the Na Po'e Pa'ahana Awards shine a well-deserved spotlight on the people and businesses that make our hospitality industry so outstanding.

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