

HOTELPAC – 2020 Candidate Questionnaire (State)

1) The future of tourism in Hawai‘i

Despite tourism’s status as one of our state’s top economic drivers, the COVID-19 pandemic has led some to call for our economy to diversify away from tourism. HLTA’s long-standing position has been that our economy should look to diversify within tourism, i.e., develop and expand industries that complement tourism. Would you support this policy given the challenge of identifying industries that could immediately replace the number of jobs and revenue tourism generates for our state’s economy? If not, what are your proposals for diversification?

In addition to the stop-gap measures that the legislature recently implemented, one of the first things we need to do is figure out how to re-open our economy safely. Since Hawaii’s economy is largely based on tourism, in the short term we need to focus on how to bring back tourism responsibly in regards to balancing the total number of tourists with public health concerns. I would welcome ideas to diversify our economy within the tourism industry and complimentary industries, and contribute what I can to help see viable options come to fruition. The first three sectors that the state should invest in to diversify are the film industry, technology, and agriculture which can be strategically developed to rebuild tourism in our state. In order to diversify we need to recognize what is realistic to implement in both the short and the long term.

Film is an existing, though underutilized industry which we can leverage to stimulate our economy as a short-term solution while we simultaneously work on creating additional long term sustainable solutions. It is an industry that can neatly tie-in to tourism because visitors want to see the locations of their favorite movie or television show. The film industry can play a key role in the revitalization of our economy through job creation and adding much-needed dollars to help our state recover. Film is a large part of our current economy, and would be a strong, immediate economic driver. During my time in the legislature and throughout the pandemic I have been in communication with the Hawaii State Film Office working on changes needed to push film initiatives forward. According to the Department of Business, Economic Development & Tourism, film had generated as much as \$825M in overall economic activity up until the pandemic hit. As a member of the Economic Development committee in the legislature I have advocated to remove the current cap on the Hawaii Film Tax Credit. This would give us a competitive advantage over many other top film locations around the globe and further push the film industry in our state forward. Additionally, the more our beautiful island home is on the big screens around the world, the more film loving tourists will want to come see it with their own eyes.

While we are working on opening our current economy up safely we need to start laying the groundwork for the long-term diversification of the tech and agricultural sector. Once our economy is on the road to recovery I believe we should begin to diversify by focusing on our unique location in the center of the Pacific Ocean between Asia and the continental U.S. We should use this advantage to develop a strong tech industry here in Hawaii. For several years in the legislature I have championed several STEM bills that would strengthen the pipeline for technological jobs in our state. As an island state we have limited land space and tech will provide high paying jobs with a small footprint.

My district has some of the best prime agricultural lands left on Oahu. However there are few farmers because much of the land is lacking water and electric infrastructure needed to

successfully grow crops. In order to diversify our economy in the long run the state needs to provide incentives through tax credits or subsidies to help farmers afford wells and green energy. Additionally, Hawaii has a unique opportunity to be successful in agricultural tourism. We are the only place in the United States that can grow cacao. We have the potential to be the Napa Valley of chocolate! We need to encourage our local farmers to begin to invest in value added products to help them raise their bottom line.

2) Tourism Management

HLTA has long maintained that we believe in the “quality” tourism model rather than the “quantity” tourism model. Effective execution of this responsible management model takes many forms, one being the establishment of user impact fees at popular visitor attractions such as O‘ahu’s Hanauma Bay. Do you support user impact fees? Do you have other ideas that would embrace this model?

I support the idea of reasonable user fees for specific locations providing the fees go back into the restoration of the specific site for which the fees are collected. I also feel that there needs to be significant public meetings and comment opportunities to ensure that where user impact fees are located, it does not put undue hardships on the current residents nor the environment.

3) Funding for the Hawai‘i Tourism Authority

In FY2019, the State collected \$600.3 million in TAT revenue, of which \$79 million was allocated to the Hawai‘i Tourism Authority. The severe decline in TAT revenues means that future funding is in jeopardy for vital visitor industry marketing and support, public services provided by the counties, and other recipients of that money. With tourism-derived revenue expected to remain low or non-existent for many months to come—at a time when HTA marketing support for the industry will be most needed—would you be in favor of reallocating other State revenues to the Hawai‘i Tourism Authority and mandated recipients of TAT funding to enable the visitor industry to reopen and rebuild?

Since tourism is such a large economic driver I feel that it is very important that HTA receive its TAT funding and I recognize that TAT funds have declined dramatically since the pandemic. However, with so much uncertainty as to when our economy will reopen it is hard to make reallocation decisions this early. But with a healthy percentage of our state tax revenue, including the General Excise Tax, coming from tourist spending, it will be a balancing act to both restart our tourism economy and ensure that we can maintain basic government functions. HTA is an important component in this decision and its funding will be part of the equation.

4) Homelessness Solutions

In recent years, HLTA has worked with the HTA and Legislature to administer and allocate \$1 million in State matching funds to address homelessness. Would you support a similar measure that would provide funds for this initiative? Moreover, how would you work with the visitor industry to address homelessness statewide?

I would support a similar matching funds measure which we passed in the legislature in 2018. While funds will be tight over the next few years there needs to be adequate monies allocated towards homelessness as the situation will worsen due to the pandemic.

The first way I would work with the visitor industry to address the homelessness issue statewide would be to continue to support the areas that the HLTA already serves the homeless population, such as partnerships with various nonprofit organizations. I currently sit on The Salvation Army's Echelon Board which is one of the organizations that has partnered with HLTA. As the chair for Echelon's Red Pencil Project, a program that invests in 3rd grade students in Title 1 schools, I have worked with the visitor industry to help supply toiletries to the schools where the students make kits for homeless individuals in their community. I am also involved with other organizations such as ALEA Bridge in my district that serve this population. I would be able to continue to connecting these groups with the HLTA to help address the issue of homelessness. Additionally, as a co-convenor of the Hawaii State Women's Legislative Caucus I have run the Easter Basket Drive for the past 7 years which provides over 150 baskets of essential supplies for women and families being served by the Institute for Human Services, The Salvation Army and several smaller groups. I have also enjoyed participating in the Charity Walk for several years!

I think there is the potential for several creative solutions such as creating a training program to establish a pipeline to put homeless individuals on paths to jobs in the tourism industry and retail. Several countries in Europe have developed programs where foundations hire homeless individuals to give city tours from the homeless perspective that have been successful. The "tour guides" get 50% of the ticket sales and the rest go to the foundation that does philanthropic work for the homeless. During this time of crisis, I know that there will be many other creative solutions like these that can become a reality with stakeholder support.

5) Sustainability in the Visitor Industry

Hawai'i's visitor industry has gone to great lengths to make its businesses more "green" and eco-friendly. What government incentives would you propose or support to help our industry bolster these initiatives?

There are currently private businesses and nonprofits that provide energy audits for businesses to cut down their environmental impact. Since Hawai'i has a 100% renewable energy goal, there should also be a government program that would offer free or subsidized energy audits. This would both help businesses save money on energy costs, and move our state closer to our renewable energy goal.

On a government level, I strongly believe we need to invest in infrastructure support with electricity and water access to encourage agricultural tourism. In order to achieve this "Napa valley of chocolate" concept I proposed earlier, we will need focused attention and resources. Since this industry would be building its foundations from the ground up, we can encourage them to build those foundations on sustainable and responsible practices. Solar energy, reducing waste, and minimizing the carbon footprint would all be beneficial for the industry itself as well as for the environment. Many tourists and international consumers care about these impacts, and will feel good about their investments in this industry if these types of practices are evident.

An important focus of businesses being more eco-friendly needs to be the benefits of supporting local vendors by sourcing products or services from here in Hawai'i. Choosing local providers will cut down on transportation and has the added benefit of investing back into our own economy. One great example of an organization already taking these steps is Farm Link Hawaii, which is part of my district. Their mission is to create a thriving, equitable local food system by empowering local farmers and improving access to local foods. These are the kinds of

initiatives that will go a long way to drive our communities and businesses into a more sustainable and flourishing future.

In line with investing in our community, the legislature could organize a hub for businesses to organize sustainable partnerships with like-minded or complimentary organizations and businesses. The people of Hawaii are innovative and collaborative, and now more than ever we should be working together to problem-solve and rebuild our economy. By creating partnerships with local businesses and working with government and environmental groups, each company can be better informed into how resources can be more efficiently utilized as well as reduce unnecessary waste. Within the tourism industry, many businesses and services are complementary and this can benefit everyone involved. Partnerships and groups can advertise and promote these complimentary services and even set up mutual discounts for clientele who are referred by another business in the same group/partnership.

In addition, businesses could reduce their environmental impact if they continued allowing employees to work from home whenever possible. Telecommuting and virtual meetings are wide realities now, and if businesses move forward with this work model, they will use less energy and fewer employees will be driving to and from work. And of course, while we are still in the COVID-19 pandemic, this will assist in keeping employees safe and healthy.

6) Visitor Industry Health, Safety & Security Standards

As the COVID-19 pandemic began to spread throughout our state, it became clear that establishing health and hygiene standards would be critical to restoring trust in our industry. As such, we developed the HLTA Health, Safety & Security Standards. These were created after reviewing the latest information from the CDC, WHO, and EPA, as well as input from industry stakeholders. Our standards were submitted to the State Department of Health for its review. After receiving DOH approval, we shared our standards with the governor, HI-EMA, State Attorney General, and all the mayors. Please answer yes or no: Would you support the adoption of our standards as statewide policy for lodging properties? If not, please explain. HLTA Health, Safety, & Security Standards –

Yes, it is clear that HTLA has done an immense amount of research into best practices and measures that have been helpful in slowing the transmission of COVID-19. I would support the adoption of these standards as a statewide policy for lodging properties as I believe this would help assure visitors that their safety is of the utmost importance, as well as help to keep the community safe from the virus.

7) Aloha Stadium Development

There appears to be ample public and legislative support for the replacement of aging Aloha Stadium, in which the State would use a public-private partnership to construct a new stadium and transit-oriented development to create opportunities for housing, commercial, and/or industrial growth. With the State government facing an austere financial future, do you support proceeding with the public-private partnership to replace the stadium and develop the site, including authorizing a State investment in this project? If not, why?

Ensuring critical service and assistance to the citizens in need will be a top priority for me in the coming years. If the financial situation allows for that and turns out to still have some left over, I would consider putting it towards the Aloha Stadium Development as it will be a large

project providing many jobs. I do support proceeding with the public-private partnership to replace the stadium and develop the site at some point and time in the future. However, I don't think anyone can make an accurate prediction of what the state's financial future is going to look like by the next session. The Governor is debating how to make up the \$2.3 billion shortfall for FY2020, and there is currently a projection of zero growth in FY2021. I think legislators are going to face unusually hard decisions over the next few years, especially concerning the budget.

8) COVID-19 Response

State officials have been roundly criticized both for the efficacy of their efforts to quell the spread of COVID-19, as well as the way in which they have communicated with the public during this crisis. Do you agree with this criticism? If so, how would you have handled this public health emergency differently? If not, please explain.

As has been said over and over, this is an unprecedented time and at the start of the pandemic I believe our top leaders were doing their best to mitigate the circumstances and find a way to move forward. However, the communication from the beginning was lacking in clarity and the confusion over each ensuing order has grown over the past few months.

Communication with my constituents has always been one of my top priorities. Throughout this pandemic I have worked to keep my community informed on the rapidly changing governmental recommendations and mandates. Unfortunately, it has been difficult to share information when communication from our state's top leaders has often been conflicting and confusing. First and foremost, it is critical to establish more effective and clear coordination and communication between governmental agencies and the public, most importantly regarding any changes in mandates relating to the pandemic. Additionally, we need to offer free local testing, broaden our testing capacity, initiate public health campaigns to ensure public buy-in and alleviate language barriers, start a reimbursement or tax initiative program for certified cleaning and sanitation expenses incurred by local businesses, and remain vigilant in seeking out other measures to stop the spread of COVID-19. If we are going to put an end to this virus in our communities, I also believe it is important to look at successful programs both nationally and internationally to see where we can bolster our efforts. As an example, Boise, Idaho has been providing free masks for residents by distributing them at government buildings. Finally, for all of this to be successful, we need to put more resources into contact tracing as we begin to further open our economy to prevent another shutdown.

In addition to these measures I've worked on at the legislature, I've also started several initiatives within the community. If we are going to move forward from this pandemic we need everyone to work together. For instance, I started a project at the beginning of the pandemic, #malamamasks, to provide masks for essential workers. I realized that my mother was interacting with hundreds of customers a day at our family's egg farm, Petersons' Upland Farm in Wahiawa. Since my husband is a firefighter, I know how important N95 masks are for medical workers and first responders but I wanted to protect workers like my mother. My husband's family business, Hawaii Mercantile LLC., generously cut and donated the fabric and elastic needed to make over 7,000 masks. Now, the #malamamasks project has helped donate masks to essential workers for every employee in over 50 local businesses, multiple schools in my district and to the entire Honolulu Fire Department.

9) If elected, what do you hope to accomplish during your first year in office, which will undoubtedly be one of the most challenging and difficult times the state and counties have ever faced.

Since I have held office, addressing the high cost of living in Hawaii has always been a top priority. In light of COVID-19, the economy and the cost of living are more important than ever and this would be the first area I would address next legislative session. I have introduced several bills to address the high cost of living and would re-introduce these bills to help families:

- Eliminate the General Excise Tax (GET) on food, medicine, and feminine hygiene products. Hawaii is one of only a handful of states that taxes food and medicine. Removing the GET from these necessities would immediately lower daily living costs for individuals and families in a wide range of income levels. This measure would go a long way in helping local families and benefit the community as a whole.
- Remove the income tax for minimum wage earners and reduce rates for the middle class. Our state income tax rates are some of the highest in the nation, and working residents must pay nearly 7% marginal rates even if they're working a minimum wage job. Removing the income tax for minimum wage earners and reducing it for the middle class rewards the hard-working men and women in our communities and would give families additional funds to save, invest, or spend in the local economy.
- Increase access to and reduce the cost of early childhood education through initiatives such as more teacher certification opportunities to address the teacher shortage within early learning and out-of-the-box solutions like tax-credits for businesses that provide on-site preschool for their employees and allowing taxpayers to spend pre-tax dollars on child care expenses including daycare, after school programs, and in-home care, thus reducing total taxable income. This is important for many families because childcare is one of the biggest expenses after rent or mortgage. According to PATCH Hawaii, in 2019 the average cost of childcare per child in Hawaii is around \$14,000 a year. As the mother of a three-year-old and a seven-month old, I know firsthand how expensive childcare is and how necessary it is in order for my husband and I to support our family and dedicate adequate time to our careers. This is an area that desperately needs to be addressed in order to help our local families with their monthly expenses.

These examples are initiatives that can provide instant relief for our families, especially those affected by the economic fallout from the COVID-19 crisis. In addition to these measures there are other long-term and structural issues we need to continue to address. The high cost of housing in Hawaii is one of the largest contributors to our cost of living and needs long-term, dedicated solutions to ensure our future generations can afford to stay in Hawaii. We also need to look at our education system, especially higher education, to ensure our keiki are being prepared for future careers and will be ready to help diversify Hawaii's economy. I've spent the last eight years dedicated to reducing our high cost of living and would be honored to continue working toward making Hawaii more affordable for our valued residents.

10) Please share with us one fun fact about yourself.

One fun fact was that in 2011 I had the honor of winning the title of Miss Hawaii and had the privilege of representing our state at Miss America as well as across the country. I won the talent portion of Miss America with a jump rope routine to the iconic "Hawaii 5-0." During my year I

worked with the Hawaii Tourism Authority to serve as our state's "ambassador of aloha." My time as Miss Hawaii was an amazing opportunity and I remember once being on three different islands all in one day for different events. It was actually this experience that encouraged me to run for State House Representative. When I completed my year of service on June 9th, 2012 I officially began my run for office the next day on June 10th. I was blessed to go on and win that election and have had the privilege to serve my community and state in the legislature since.