

Bill 40 (2021) Testimony

MISC. COM. 545

BUD

From: CLK Council Info
Sent: Thursday, October 14, 2021 8:13 PM
Subject: Budget Testimony

Written Testimony

Name lynne matusow
Phone
Email lynnehi@aol.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item bill 40
Your position on the matter Oppose
Representing Self
Organization retired

Written Testimony

I am opposed to giving HART and the toy train that can't run on its tracks and more money. The city has better uses for the funds. The charlatans who have run HART from the beginning are way over their heads. They can't determine whether a contractor did or did not submit a required report on time. They obfuscate, lie, and all they do is come with their hands out asking for more kala. Instead, they should refund kala they have received to both the state and the city. Time to end this mismanaged over budget project. Cut our losses and learn from it.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST

650 Iwilei Road, Suite 285 · Honolulu, HI 96817 · Phone: 808-845-3238 · Fax: 808-845-8300

October 15, 2021

HONOLULU CITY COUNCIL

Committee on Budget

City Council Chamber

Honolulu, Hawaii 96813

DATE: Wednesday, October 20, 2021

TIME: 9:00 a.m.

TESTIMONY ON BILL 40 (2021) - RELATING TO THE TRANSIENT ACCOMMODATIONS TAX

**To Committee Chair Say, Vice Chair Cordero and members of the Honolulu City Council
Committee on Budget:**

Hawaii LECET is a labor-management partnership between the Hawaii Laborers' International Union of North America, Local 368, its' 5000+ members and its' 250+ unionized contractors. The Laborers' International Union of North America is the largest construction union in the United States.

Mahalo for the opportunity to testify in support of Bill 40 (2021), which seeks to establish a County Transient Accommodations Tax to support restoration of funding which was diverted by the Hawaii State Legislature. Bill 40 would also ensure that visitors share in the costs for services provided by the City and County of Honolulu, as well as fund efforts to mitigate the impacts on natural resources due to tourism.

For these reasons, Hawaii LECET supports Bill 40 (2021) and asks for your consideration and support.

With respect,

Hawaii Laborers-Employers Cooperation & Education Trust

From: CLK Council Info
Sent: Sunday, October 17, 2021 11:47 AM
Subject: Budget Testimony

Written Testimony

Name Robert Crone
Phone
Email bobcrone@earthlink.net
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40 (2021)
Your position on the matter Comment
Representing Self
Organization

Written Testimony

In 1987 when the state legislature first implemented charging the tourists the Transient Accommodation Tax (TAT), the total amount of it went to the state. The counties subsequently argued before the legislature that a portion of it should go to the counties to reimburse them for their costs in supporting the tourists. They argued that the added operational costs of water, sewer, police, fire protection, ambulance, lifeguards, maintenance of parks and beaches, etc., to support the tourists was borne by the counties, not by the state. It took several years of arguing before the legislature before the law was amended in 1990 to require the state to pass on a portion of the TAT to the counties. Never to give up a source of income, now - some years after - the state legislature has come up with a scheme where they can keep all of the TAT once again but allow the counties to charge an additional tax to the tourists to cover those operational expenses. However, now the City and County of Honolulu wants to divert at least a portion of that tax that they have been receiving and will continue to receive to pay for the capital costs of constructing the rail.

Of course the City and County will still have the operational costs of water, sewer, police, fire protection, ambulance, lifeguards, maintenance of parks and beaches, etc., to support the tourists. So we are back to the time before the City and County received a portion of the TAT and the question remains: Who will pay for that additional operational costs of water, sewer, police, fire protection, ambulance, lifeguards, maintenance of parks and beaches, etc., to support the tourists? The taxpayers who pay property taxes of course. So much for not raising property taxes to pay for the capital costs of rail construction.

It is important to distinguish between operational costs to run the government services and capital cost to build new stuff and it is equally important to realize that, if there is something was being paid for by the TAT and is no longer being paid for by the TAT but is still there, it is then being paid for by our property taxes. That's why I urge the City Council to not divert any portion of the proposed 3% City and County imposed TAT to rail construction.

Mahalo for the opportunity to submit these comments.

Testimony

Attachment

Accept Terms
and Agreement

1

IP: 192.168.200.67

From: CLK Council Info
Sent: Friday, October 15, 2021 6:17 PM
Subject: Budget Testimony

Written Testimony

Name Melvyn Yoshinaga
Phone
Email sr5@twc.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Comment
Representing Self
Organization

Dear Members:

There will doubtlessly be many demands on the new source of city income, the TAT.

My request is that the plethora of city unfunded obligations as well as routine operational needs be given higher priority than using any TAT monies for rail construction.

Written Testimony Were a portion of rail put into use, TAT funds could be used to support rail operations and maintenance costs, but using these monies for construction would perpetuate already excessive rail bailouts.

Thank you for your consideration.

Sincerely,
M. Yoshinaga
45-631 Apuakea St.
Kaneohe, HI 96744

Testimony
Attachment

Accept Terms and Agreement 1

From: CLK Council Info
Sent: Monday, October 18, 2021 3:22 PM
Subject: Budget Testimony

Written Testimony

Name Susan Gorman-Chang
Phone
Email sggc@dslextreme.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Agenda Item # 14: Bill 40 (2021)
Your position on the matter Support
Representing Self
Organization
Bill 40
Written Testimony
From Individual: Susan Gorman-Chang
October 18, 2021
Support

I am in support of Bill 40, which establishes a transient accommodation tax (TAT) of 3% for the City and County of Honolulu. I further request that the fixed amount of 1.5% be dedicated to complete and to maintain the electric Honolulu Rail Transit Project (Rail) for the following reasons:

- Electric Rail will decrease the amount of greenhouse gases (GHG) as it provides people the alternative of taking the Rail as opposed to driving in a vehicle.
- Commuting via electric Rail is healthier for individual commuters than commuting by vehicle, because cars, trucks and buses produce noxious gases and particulate matter that contributes to lung and heart disease.
- Traffic pollution is dangerous to those living within close proximity to the H-1, which are usually communities of limited means, so the electric Rail will decrease pollutants they are exposed to if there are less vehicles on the road.
- All commutes are not equal. A study published in the British Medical Journal found folks who drove to work were more overweight and less healthy than folks who got to work by public transit.1 “When you are driving in difficult traffic, you are using a lot more of your physical and mental energy, which can be exhausting...It’s not only emotional exhaustion, you actually get physically exhausted from muscle tension.” 2

- Electric Rail will help working class folks, who work jobs such as housekeepers and maintenance workers that require them to drive into town from West Oahu every day as they do not have the option to work at home as many other professions enjoy.
- Each year millions of tourists travel to Oahu via jet plane, creating dangerous amounts of greenhouse gas (GHG) in the process. Setting aside 1.5% of this 3% TNT to support electric Rail is a logical nexus to offset at least some of the GHG created by tourism.
- Electric Rail will help kupuna who can no longer drive, a safe way to travel into town.
- Electric Rail will enable kupuna to stay in their homes, rather than face increasingly high property taxes based on market value of property which will be tapped to pay for the electric rail if this TNT bill is not passed.

1 Gebhart, Fred “Healthy Commutes: Why Public Transit Is Miles Better Than Driving”
Health News
20, October, 2018.

2Ibid.

Testimony
Attachment

Accept Terms
and Agreement

1

IP: 192.168.200.67

From: CLK Council Info
Sent: Monday, October 18, 2021 5:49 PM
Subject: Budget Testimony

Written Testimony

Name Robert Quartero
Phone
Email robq68@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Diverting TAT for RAIL funding
Your position on the matter Oppose
Representing Self
Organization

Aloha Brothers and Sisters,

Written
Testimony

I am hopeful that with appropriate funding shared with essential transportation services instead of the RAIL, we can move towards a system of perpetual moving sidewalks which can be accomplished thru HART collaborating a conclusion to construction with DTS and THE BUS company and allowing a majority of SOLAR buses to reach every bus stop within fifteen minutes of each other from 5:30 am to 11 pm daily, solar buses allowing a move away from fossil fuels to meet the state's goal of being a GREEN state by 2045. I believe our way of life is presently or already being sacrificed under the great weight that HART is putting on the entire state of Hawaii, especially in terms of costs. We are already unable to travel freely and our ability to move thruought the island is being retarded by DTS and THE BUS company losing funding priority to the RAIL . To have our community members, especially senior citizens, left at bus stops for nearly an hour at a time is dangerous and in many situations, is very cruel. Additionally it does appear that the State's goal of going GREEN is being sacrificed today with so much money and focus being placed on the costs of HART. By expanding our bus system such as adding 100 solar buses to our fleet, we can stop the rail at school street and continue with HART's initial goals thru investing in moving sidewalks from there forward. A fleet of buses running similar to how escalators are run non-stop at shopping malls will allow THE BUS to be a major factor today and into the future.... and at a much lower cost to the state of Hawaii ... exponentially lower. As a community member, I whole-heartedly propose and request your budgetary assessments strongly support the opportunity to provide alternate solutions to HART and/or the RAIL. Thank you very much for your time and attention to this important issue.

Testimony
Attachment

From: CLK Council Info
Sent: Monday, October 18, 2021 5:04 PM
Subject: Budget Testimony

Written Testimony

Name Leslie M Inouye
Phone
Email linouye14@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Oppose
Representing Self
Organization

Written Testimony I, and the suffering Honolulu C&C taxpayers who are being forced to pay untold billions for rail, oppose the use of any TAT moneys to build, maintain, or in any way support the rail project. There are more feasible and sustainable options, and why there is a refusal to consider viable alternatives is a mystery. There has been substantial evidence that the FTA is not 100% demanding that the rail extend to Ala Moana. The city government's primary obligation is to its voters/citizens, not special interest groups.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Monday, October 18, 2021 7:53 PM
Subject: Budget Testimony

Written Testimony

Name Eloise M. Yano
Phone
Email Yanom@hawaiiintel.net
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Diverting TAT funds to rail
Your position on the matter Oppose
Representing Self
Organization

Written Testimony I oppose diverting any funds from the needed operations of our city services to the rail.
The debt that the cost of rail has put us in is mind boggling. Is this how we teach our children to budget? Alternatives must be looked at to avoid any more “nonsense”.

Testimony
Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Monday, October 18, 2021 7:58 PM
Subject: Budget Testimony

Written Testimony

Name	Roland Louie
Phone	
Email	Rolandhawaii@gmail.com
Meeting Date	10-20-2021
Council/PH Committee	Budget
Agenda Item	Bill 10
Your position on the matter	Oppose
Representing	Self
Organization	
Written Testimony	I am oppose any fund for the rail and no TAT for the rail
Testimony Attachment	
Accept Terms and Agreement	1

IP: 192.168.200.67

From: CLK Council Info
Sent: Monday, October 18, 2021 11:34 PM
Subject: Budget Testimony

Written Testimony

Name Jennifer Sabas
Phone
Email jennifer@moveoahuforward.org
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Organization
Organization Move Oahu Forward
October 19, 2021

Chairman Calvin Say and members of the Budget Committee:

Aloha, my name is Jennifer Sabas and I serve as the Executive Director of Move Oahu Forward, a non-profit organization, supporting the Honolulu rail project as an integral part of a robust public transportation system on Oahu. I am submitting testimony in support of Bill 40 to establish a transient accommodations tax for the City and County of Honolulu, and that a portion be set aside to support the completion of the Honolulu rail project. This new revenue source, a tourist tax, comes from our visitors rather than our residents, both of whose will ride the finished rail system.

Written Testimony As additional information is being compiled regarding the remaining projected costs, I respectfully request that Bill 40 be passed out of the Budget Committee to keep the discussion and debate going.

Construction of the rail guideway and stations continues at a steady pace. Work on utility relocation also continues. Work either out to bid or ready to bid, and with design ongoing the most difficult section of Dillingham Boulevard. We are getting closer to the finish line and a dedicated local revenue source will allow for the completion of a system that will transform Oahu - Westside families will have the option to ride the rail to work and school, rather than spending an hour+ in traffic. Transit-oriented developments to include affordable units along the route will allow for better work-life balances for many Oahu families.

Thank you for the opportunity to submit my statement of support, and look forward to a rigorous debate and discussion in the months ahead.

Aloha,
Jennifer Sabas
Executive Director
Move Oahu Forward
PO Box 1329
Honolulu, HI 96807

Testimony
Attachment

Accept Terms
and Agreement 1

IP: 192.168.200.67

TO: Members of the Committee on Budget

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

DATE: Wednesday, October 20, 2021

SUBJECT: Bill 40, Transient Accommodations Tax - **OPPOSED**

Aloha Chair Say and Councilmembers,

Thank you for allowing testimony on Bill 40, which would implement a transient accommodations tax (TAT) at the county level and assign certain, currently unspecified, amounts to the general fund, the transit fund (for rail construction) and a new account. **I oppose this bill for several reasons and am testifying in my individual capacity.**

TAT Related to the Transit Fund

During the last HART board meeting we learned that HART does not intend for the county TAT to cover the entire shortfall currently estimated at \$3.6 billion. If you are going to give them part of the TAT despite the fact that:

- the final cost is still unknown;
- there has been no public discussion of the 25+ alternative ideas that were discussed by HART staff earlier this year (either the Transportation or the Budget Committee should hold such a discussion);
- HART still has no internal audit function, and the Internal Audit Committee of the HART board is on hold; and
- there is no tip hotline or fraud policy,

then please put conditions on it.

Administration

Sec. 8A-1.9, Rent collection by third party, includes a requirement that a copy of the first page of the rental agreement *or* IRS Form 1099 and certain other documents must be filed with the city. Rental agreements may include private

personal information about tenants. I therefore **oppose the requirement to provide this information to the city.**

In addition, the Form 1099 may include a landlord's social security number. I **oppose the requirement to provide this to the city. These requirements go too far in an attempt to enforce a county TAT.**

Sec. 8A-1.13(a)(1), Application of tax, indicates that any rental for less than 180 consecutive days is presumed to be for a transient purpose. This presumption does not take into consideration the fact that locals may need to rent for less than 180 days for various reasons. **I therefore oppose this section.**

From: CLK Council Info
Sent: Tuesday, October 19, 2021 6:49 AM
Subject: Budget Testimony

Written Testimony

Name Joseph Ferraro
Phone
Email Joef@ferrarochoi.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Portion of TAT tax for Rail
Your position on the matter Oppose
Representing Self
Organization

Written Testimony The citizens of Honolulu need the TAT tax for essential services. Even if a portion were siphoned off, it would not come close to the rail project's deficit. We have to stop the rail short of downtown; build a new transit hub; extend rail to Kapolei; and design a 21st century multimodal transit system to UH, Waikiki, and Hawai'i Kai.
Thank you

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, October 19, 2021 6:44 AM
Subject: Council Testimony

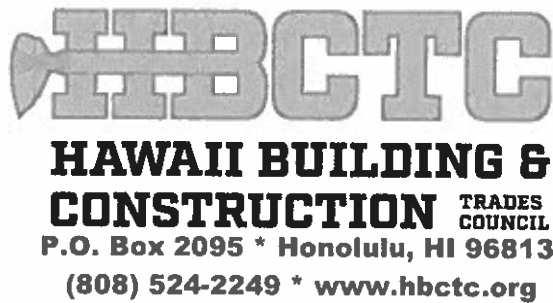
Written Testimony

Name jeremy lam
Phone
Email drjlam@aol.com
Meeting Date 10-20-2021
Council/PH Council
Committee
Agenda Item bill 40 TAT
Your position on the matter Oppose
Representing Self
Organization

Written Testimony our family is against using any of the tat MONEY FOR RAIL. our leaders have failed us and not represented the community. they have blindly pushed forward, knowing that the costs will continue to escalate and we are throwing money into a bottomless pit. stop the rail at middle street. do not look for ways to nickel and dime your forward . your sad legacy will be forged in stone like mufi hanneman.

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67



October 19, 2021

Honolulu City Council
Committee on Budget
530 S. King Street
Honolulu, HI 96813

RE: Bill 40 (2021) Relating to the Transit Accommodation Tax

Aloha Chair Say, Vice-Chair Cordero, and members of the committee:

My name is Gino Soquena, Executive Director of the Hawaii Building & Construction Trades Council (HBCTC) which represents 16 of the 19 construction trade unions here in Hawaii. I am submitting testimony in **SUPPORT** of Bill 40 to establish a transient accommodations tax for the City and County of Honolulu.

This new revenue source, a tourist tax, comes from our visitors rather than our residents, both of whom will use and ride a finished rail system. I respectfully request that you pass Bill 40 out of the Budget Committee to keep the discussion and debate moving forward and please set aside a portion of the TAT for the Honolulu rail project.

HBCTC Affiliate's members continue to work on the construction of the rail guideway and stations as construction continues at a steady pace. Work on utility relocation also continues. Work is either out to bid or ready to bid with design ongoing on the most difficult section of Dillingham Boulevard. We are getting closer to the finish line and a dedicated local revenue source will allow for the completion of a system that will transform Oahu. Westside families will have the option to ride the rail to work and school, rather than spending hours in traffic. Transit-oriented developments to include affordable units along the route will allow for better work-life balances.

For these reasons, I am submitting this testimony in **SUPPORT** of Bill 40. Thank you for the opportunity to testify.

Mahalo Nui Loa,

Gino Soquena

Gino Soquena
Executive Director
Hawaii Building & Construction Trades Council

From: CLK Council Info
Sent: Tuesday, October 19, 2021 9:18 AM
Subject: Budget Testimony

Written Testimony

Name John Leong
Phone
Email kawika.riley@kupuhawaii.org
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Organization
Organization Kupu
Aloha Honorable City Councilmembers,

Mahalo for the opportunity to provide testimony in strong support of Bill 40's provision to use a portion of the City's Transient Accommodations Tax (TAT) to mitigate the impacts of visitors on public facilities, including the restoration and maintenance of beaches and parks.

Founded on O'ahu in 2007, Kupu is Hawai'i's largest youth-focused conservation nonprofit. We have had the opportunity to participate in the restoration and management of precious natural resources throughout this island, and are familiar with the significant lack of funding available to properly care for trails, parks, beaches, watersheds, and other sensitive areas impacted by tourists and resident use. Given the direct connection between the number of visitors and the pressure on these resources, it is appropriate that a portion of the TAT be used to mitigate impacts in the manner described in the bill. Additionally, the proper management of Hawai'i's environmental well-being directly benefits the tourism industry, as much of Hawai'i's tourism draw comes from the beauty and health of our environment.

Mahalo for the opportunity to testify in strong support of Bill 40's provision to use a portion of the City's Transient Accommodations Tax (TAT) to mitigate the impacts of visitors on public facilities, including the restoration and maintenance of beaches and parks.

Me ke aloha,

John Leong
Chief Executive Officer
Kupu

Written
Testimony

From: CLK Council Info
Sent: Tuesday, October 19, 2021 9:33 AM
Subject: Budget Testimony

Written Testimony

Name Dennis Chew
Phone
Email chewd003@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item TAT for rail
Your position on the matter Oppose
Representing Self
Organization
Written Testimony
Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67



October 19, 2021

TO: Councilmember Calvin Say, Chair
Councilmember Radiant Cordero, Vice- Chair
Members of the Committee on Budget

FR: AMERICAN RESORT DEVELOPMENT ASSOCIATION – HAWAII (ARDA Hawaii)

RE: Comments on Bill 40 ("**Bill 40**") RELATING TO THE TRANSIENT ACCOMMODATIONS TAX. (ESTABLISHING A TRANSIENT ACCOMMODATIONS TAX FOR THE CITY AND COUNTY OF HONOLULU, PROVIDE FOR ITS IMPOSITION AND DISPOSITION, AND FACILITATE THE RECEIPT AND DEPOSIT OF THE REVENUES DERIVED FROM THE TRANSIENT ACCOMMODATIONS TAX.)

Aloha Chair Say, Vice Chair Cordero and members of the Committee on Budget,

Thank you for allowing ARDA Hawaii to submit testimony **providing Comments and Amendments** to Bill 40 establishing a transient accommodations tax for the City and County of Honolulu. ARDA Hawaii is the local chapter of the trade association for the timeshare industry. Timeshare is an important and stabilizing part of the tourism industry and Honolulu's economy. Timeshare owners have made a long-term commitment to Honolulu by purchasing and owning real property in the County. These owners are consistent and dependable visitors who bring substantial tax dollars and continue to come even during periods of economic downturn.

Bill 40 establishes a county transient accommodation tax of three percent (3%) ("**County TAT**"). The new County TAT imposes a tax on the gross rental or gross rental proceeds derived from the furnishing of transient accommodations. Every transient accommodation broker, travel agency, and tour packager that arrange transient accommodations and every plan manager shall pay the County TAT. Further, every time share vacation plan must be represented by a plan manager. Pursuant to Section 7, the new County TAT is considered levied on the effective date of Bill 40.

ARDA Hawaii understands the need for the County to establish the County TAT, however, we have concerns with the timing of the application of the additional 3 percent increase. Having the County TAT levied upon approval puts hotel operators at a disadvantage. Essentially, this would mean that the County TAT would be retroactively applicable to

reservations made on the effective date even though the bill has not been signed by the Mayor. Furthermore, hotel operators will not be able to: 1) disclose the new tax to guests in advance; and 2) adjust booking systems and rental agreements to collect the new tax from guests after the County TAT has been officially established. In turn, operators will need to pay for the County TAT themselves for reservations on the effective date.

Moreover, timeshare resorts will need to update their Hawaii disclosure statements and file with the Department of Commerce and Consumer Affairs ("DCCA"). This is often a time-consuming process requiring approval from the DCCA. Having Bill 40 be levied upon approval, will lead to inadequate disclosure to customers. Imposing the County TAT in this manner will make it impossible for developers and operators to provide full and fair disclosure to buyers, owners, and other occupants.

Accordingly, ARDA Hawaii respectfully requests the County TAT be levied, at a minimum, not earlier than 30 days after Bill 40's approval to allow: 1) appropriate notice to be given to travel partners; 2) appropriate notice to be given to guests who will be booking stays, 3) booking engines to be updated with the new County TAT; and 4) rental agreements to be modified with the new required language. Furthermore, an additional 30 days provides resorts an adequate amount of time to provide proper notice to guests, update disclosure statements with DCCA, and coordinate with third party booking platforms to accommodate new tax.

Specifically, ARDA Hawaii recommends the following amendment to Bill 40:

1. Amend Section 7 to state "This ordinance shall take effect 30 days after being signed by the Mayor. The transient accommodations tax established by this ordinance is considered levied 30 days after being signed by the Mayor."

Mahalo for your consideration of our comments. We look forward to working with the Council on implementing a policy that will enhance the ability of developers and operators to comply with the new existing laws and requirements that compel fair and full disclosure of the County TAT to consumers.

Respectfully Submitted,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line that ends in a small arrowhead.

Mitchell A. Imanaka
Chair
American Resort Development Association of Hawaii



HAWAII REGIONAL COUNCIL OF CARPENTERS

October 20, 2021

City Council Committee on Budget
City & County of Honolulu
Councilmember Calvin Say, Chair
Councilmember Radiant Cordero, Vice Chair

Statement of the Hawaii Regional Council of Carpenters – SUPPORT for Bill 40 (2021)—Relating to the transient accommodations tax

Chair Say, Vice Chair Cordero, and Members of the Budget Committee:

The Hawaii Regional Council of Carpenters would like to offer their support for Bill 40 relating to the transient accommodations tax.

Specifically, this bill must contain a fixed percentage of the TAT that is dedicated to funding for rail, so the city can finish the project in fiscally responsible way without the need to raise property taxes.

Dedicating a percentage of the TAT will also pay for the ongoing operations and maintenance of the system after construction has been completed, again, without the need to raise property taxes.

Modernizing our infrastructure is important piece of the Biden administration's plan to "Build Back Better". Allocating a fixed percentage of TAT funding to Rail will restore confidence with the FTA, and could potentially unlock additional federal funding opportunities.

The downtown and Ala Moana rail stations will have a combined 11,600 housing units as a result of the Transit Orientated Development planning, and without a completed Rail project, TOD and our affordable housing goals cannot be met.

Mass transit will decrease our dependence on imported oil, reduce our greenhouse gas emissions, and allow for the creation of walkable, bikeable communities and safe streets for families.

The Centers for Disease Control (CDC) has studied the impact of public transportation systems and rail is associated with reductions in several health risk factors such as motor vehicle crashes, air pollution, and physical inactivity.

STATE HEADQUARTERS & BUSINESS OFFICES

OAHU: 1311 Houghtailing Street, Honolulu Hawaii 96817-2712 • Ph. (808) 847-5761 Fax (808) 440-9188
HILO OFFICE: 525 Kilauea Avenue, Room 205, Hilo, Hawaii 96720-3050 • Ph. (808) 935-8575 Fax (808) 935-8576
KONA OFFICE: 75-126 Lunapule Road, Kailua-Kona, Hawaii 96740-2106 • Ph. (808) 329-7355 Fax (808) 326-9376
MAUI OFFICE: 330 Hookahi Street, Wailuku, Maui 96793-1449 • Ph. (808) 242-6891 Fax (808) 242-5961
KAUAI OFFICE: Kuhio Medical Ctr Bldg., 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911

A completed rail system will afford greater transportation options for Honolulu, especially for seniors and those who cannot afford the high costs of owning a vehicle.

And it will enhance the quality life for leeward families who spend hours in traffic each day.

Mahalo for your consideration.



October 19, 2021

TO: Councilmember Calvin Say, Chair
Councilmember Radiant Cordero, Vice- Chair
Members of the Committee on Budget

FR: Denis Ebrill, Marriott Vacations Worldwide Corporation

RE: Comments on Bill 40 Relating to Transient Accommodations Tax

Aloha Chair Say, Vice Chair Cordero and members of the Committee on Budget,

Thank you for allowing me to submit testimony on behalf of Marriott Vacations Worldwide Corporation ("MVWC") **providing Comments and Amendments** to Bill 40 establishing a transient accommodations tax for the City and County of Honolulu. MVWC is a global leader in the timeshare industry with ten resort properties in Hawaii. Timeshare resorts are an important and stabilizing part of the tourism industry, and resort development provides thousands of construction jobs in Hawaii per year.

Bill 40 establishes a county transient accommodation tax of three percent (3%) ("**County TAT**"). The new County TAT imposes a tax on the gross rental or gross rental proceeds derived from the furnishing of transient accommodations. Every transient accommodation broker, travel agency, and tour packager that arrange transient accommodations and every plan manager shall pay the County TAT. Further, every time share vacation plan must be represented by a plan manager. Pursuant to Section 7, the new County TAT is considered levied on the effective date of Bill 40.

MVWC understands the County's intentions in establishing the County TAT, however, we have concerns with the implementation of the additional 3 percent increase. Implementing the County TAT upon approval puts hotel operators at a disadvantage. Essentially, this would mean that the County TAT would be retroactively applicable to reservations made on the effective date even though the bill has not been signed by the Mayor. Furthermore, hotel operators will not be able to: 1) disclose the new tax to guests in advance; and 2) adjust booking systems and rental agreements to collect the new tax from guests after the County TAT has been officially established. Additionally, timeshare resorts will need to update their Hawaii disclosure statements and file with the Department of Commerce and Consumer Affairs ("DCCA").

Accordingly, MVWC respectfully requests the County TAT not be levied until, at a minimum, not earlier than 30 days after Bill 40's signing to allow: 1) appropriate notice to be given to travel partners; 2) appropriate notice to be given to guests who will be booking stays, 3) booking engines to be updated with the new County TAT; and 4) rental agreements to be modified with the new required language. Furthermore, an additional 30 days provides resorts an adequate amount of time to provide proper notice to guests, update disclosure statements with DCCA, and coordinate with third party booking platforms to accommodate new tax.

Councilmember Calvin Say, Chair
Councilmember Radiant Cordero, Vice- Chair
October 19, 2021
Page 2

Moreover, an additional 30 days after signing would be consistent with the timeframe of previous increases in TAT at the state level and recent implementation in other counties. Typically, when the TAT was increased at the state level in the past, the legislation would allow for several months to enable the hotel industry to adjust internal booking systems to properly disclose and charge for the increased rate. Further, Maui County recently passed their own county TAT with a levied date of November 1, 2021, which will be approximately 30 days after it is signed into law. Maui County found the additional time to be a fair comprise to allow the hotel industry to account for the County TAT.

Based upon the foregoing, MVWC recommends the following amendments to Bill 40:

1. Amend Section 7 to state "This ordinance shall take effect 30 days after being signed by the Mayor. The transient accommodations tax established by this ordinance is considered levied 30 days after being signed by the Mayor."

Mahalo for your consideration of these amendments.

Aloha,

A handwritten signature in black ink, appearing to read "D. Ebrill", followed by a period.

Denis Ebrill
Senior Vice President
Marriott Vacations Worldwide Corporation

AQUA-ASTON

HOSPITALITY

October 19, 2021

TO: Councilmember Calvin Say, Chair
Councilmember Radiant Cordero, Vice- Chair
Members of the Committee on Budget

FR: Aqua-Aston Hospitality

RE: Comments on Bill 40 Relating to Transient Accommodations Tax

Aloha Chair Say, Vice Chair Cordero and members of the Committee on Budget,

Thank you for allowing Aqua-Aston Hospitality, LLC ("**Aqua-Aston**") to provide **Comments and Amendments** to Bill 40 establishing a transient accommodations tax for the City and County of Honolulu. Aqua-Aston has engaged in hotel and resort management in the state of Hawaii for over 75 years.

Bill 40 establishes a county transient accommodation tax of three percent (3%) ("**County TAT**"). The new County TAT imposes a tax on the gross rental or gross rental proceeds derived from the furnishing of transient accommodations. Every transient accommodation broker, travel agency, and tour packager that arranges transient accommodations and every plan manager shall pay the County TAT. Pursuant to Section 7, the new County TAT is considered levied on the effective date of Bill 40.

Aqua-Aston understands the County's intentions in establishing the County TAT in response to Act 1, Special Session Laws of Hawai'i, which stripped the County of allocated State Transient Accommodations Tax. Nevertheless, we have concerns with the implementation of the additional 3 percent increase. Having the County TAT levied upon approval puts hotel operators at a disadvantage. Hotel operators: 1) will not be able to disclose the County TAT to guests who have already booked in advance of or on the effective date; nor 2) sufficient time to adjust booking systems and rental agreements to enable them to collect the County TAT on the effective date. Similarly, the County TAT would be retroactively applicable to reservations made on the effective date even though the bill has not yet been signed by the Mayor.

Aqua-Aston respectfully requests the County TAT be levied a minimum of 30 days after Bill 40's signing to allow: 1) appropriate notice to be given to travel partners; 2) appropriate notice to be given to guests who will be booking stays, 3) booking engines to be updated with the new County TAT; and 4) rental agreements to be modified with the new required language.

Moreover, an additional 30 days after signing would be consistent with the timeframe of previous increases in TAT at the state level and recent implementation in other counties. Typically, when the TAT was increased at the state level in the past, the legislation would allow for several months to enable the hotel industry to adjust internal booking systems to properly disclose and charge for the increased rate. Further, Maui County recently passed their own county TAT with a levy date of November 1, 2021, which will be approximately 30 days after it was signed into law. Maui County found the additional time to be a fair compromise to allow the hotel industry to account for the Maui county TAT.

Accordingly, Aqua-Aston recommends the following amendment to Bill 40:

1. *Amend Section 7 to state "This ordinance shall take effect 30 days after being signed by the Mayor. The transient accommodations tax established by this ordinance is considered levied 30 days after being signed by the Mayor."*

Mahalo for your consideration of these amendments.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Debrill", with a stylized, cursive flourish at the end.

Denis Ebrill
Aqua Aston Hospitality, LLC, Managing Director

From: CLK Council Info
Sent: Tuesday, October 19, 2021 11:49 AM
Subject: Budget Testimony

Written Testimony

Name Marissa Miller
Phone
Email mrmiller@conservation.org
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Agenda Item 14. BILL 40 (2021) – RELATING TO THE TRANSIENT ACCOMMODATIONS TAX
Your position on the matter Support
Representing Organization
Organization Conservation International
Aloha kākou,

I am writing in support of Bill 40 and I am requesting that 33% of the County TAT be dedicated to parks, beaches, and natural resources. These funds should supplement (not replace) any funding already allocated to beaches, parks, and natural resources.

Our county's natural resources are severely underfunded, and the TAT can help fill the gap in conservation funding only if a significant amount of it is allocated towards this purpose. Our visitor industry relies heavily on our island's natural resources, parks, and beaches to thrive, so it visitor dollars must play a bigger role in the maintenance and conservation of those resources.

Written Testimony

As a young person who was born and raised in Honolulu, I have already seen an increase in the negative impacts of the visitor industry on our island home and on the parks and beaches where I surf and spend my time. As a college graduate with a degree in Environmental Management and Protection, I also know how important it is for us to conserve and protect our natural ecosystems and the cultural significance, economic value, and ecosystem services that they provide.

Please consider allocating at least 1/3 of the County TAT towards our natural ecosystems. Mahalo for your time and for taking my comment into consideration,

Marissa Miller

Testimony Attachment

From: CLK Council Info
Sent: Tuesday, October 19, 2021 11:27 AM
Subject: Budget Testimony

Written Testimony

Name Carissa Cabrera
Phone
Email carissacabrera1@gmail.com
Meeting Date 10-19-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Self
Organization

Hawaii's natural and cultural resources are not only integral to our way of life and the ecological stability of our region, they are the backbone of our visitor economy. As a leading tourist destination globally, the visitor experience is underpinned by our parks, beaches, and other healthy ecosystems. For this reason, the TAT should carve out a green allocation to invest in the beaches and parks trafficked by visitors.

Written Testimony

As we number around 10 million visitors annually, Hawaii's financing mechanism toward green infrastructure is an uninvested liability toward a sustainable visitor experience, and the local livelihoods that depend upon it. Other visitor destinations globally, such as New Zealand and Palau, reinvest visitor dollars into conserving natural resources on the order of \$100-375 per tourist. Compared to Hawaii, we invest only \$9/tourist and less than 1% of our state budget back into conservation efforts.

A 1% green allocation within the Transient Accommodation Tax has the potential to finance conservation for green spaces that support our local economy, communities, and ecosystems for future generations. According to our communities and elected officials, it is a "no-brainer."

Testimony Attachment

Accept Terms and Agreement 1

From: CLK Council Info
Sent: Tuesday, October 19, 2021 9:45 AM
Subject: Council Testimony

Written Testimony

Name Linda Legrande
Phone
Email lindalegrande2243@gmail.com
Meeting Date 10-20-2021
Council/PH Council
Committee
Agenda Item Bill 40
Your position on the matter Oppose
Representing Self
Organization

Written
Testimony

Please please do not use TAT monies for the rabbit hole rail project ~ the people of Hawaii need services that will provide for the greater good: police, fire, education. The rail project dug its hole and now it needs to accept that they must cut it short and design a 21st century multimodal transit system to UH, Waikiki, & Hawaii Kai. YES WE CAN .. Salvage what we've already built and be smart going forward but not with TAT funds. Thank you, Linda Legrande

Testimony
Attachment

Accept Terms
and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, October 19, 2021 11:00 AM
Subject: Budget Testimony

Written Testimony

Name Didi Leong
Phone
Email didi.devyani@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Oppose
Representing Self
Organization

Written Testimony

I strongly oppose diverting any percentage of TAT monies to the rail project. It is not nearly enough to pay for the 3.6 billion dollar deficit that exists today. Times are hard now but it is going to get harder. If any of the new Honolulu TAT is diverted to rail it would be stealing from our normal operational expenses. It is time to initiate an objective analysis of alternative solutions for rail conducted by a credible organization that can honestly evaluate our profound problem. We cannot afford to throw away our much needed revenues on this monstrosity called rail.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, October 19, 2021 12:51 PM
Subject: Budget Testimony

Written Testimony

Name Monica McLenigan
Phone
Email monica@sustainablecoastlineshawaii.org
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Self
Organization

Aloha kākou,

I am writing in support of Bill 40 and I am requesting that 33% of the County TAT be dedicated to parks, beaches, and natural resources. These funds should supplement (not replace) any funding already allocated to beaches, parks, and natural resources.

Written
Testimony

Our county's natural resources are severely underfunded, and the TAT can help fill the gap in conservation funding only if a significant amount of it is allocated towards this purpose. Our visitor industry relies heavily on our island's natural resources, parks, and beaches to thrive, so it visitor dollars must play a bigger role in the maintenance and conservation of those resources.

As a college graduate with a degree in Natural Resources, I also know how important it is for us to conserve and protect our natural ecosystems and the cultural significance, economic value, and ecosystem services that they provide.

Please consider allocating at least 1/3 of the County TAT towards our natural ecosystems. Mahalo for your time and for taking my comment into consideration,

Monica McLenigan

Testimony
Attachment

Accept Terms
and Agreement

1



HAWAII OPERATING ENGINEERS INDUSTRY STABILIZATION FUND



Hawaii AFL-CIO
2021-2022

October 19, 2021

Honorable, Calvin Say, Budget Committee, Chair
Honorable, Radiant Cordero, Honolulu City Council, Vice Chair
Honorable Members of the Budget Committee

RE: Bill 40 (2021) Relating to the transient accommodations tax. (Establishing a transient accommodations tax for the City and County of Honolulu, provide for its imposition and disposition, and facilitate the receipt and deposit of the revenues derived from the transient accommodations tax.)

Chair Say:

My name is Pane Meatoga III and I am the Community Liaison representing the Hawaii Operating Engineers Industry Stabilization Fund (HOEISF). We are a labor management fund representing 3000 unionized members in heavy engineering site work and 500 general contractors specializing in heavy site and vertical construction. Our organization would like to offer our written testimony in support of Bill 40 (2021).

Since the state of Hawaii has repealed the allocation of Honolulu County's portion of the Transient Accommodation Tax (TAT), it is imperative that this bill move forward with all possible speed. Both Maui and Kauai County have moved ahead and passed ordinances to enact a county TAT. Each month that the city does not collect TAT is a month that the city is losing out on revenue.

We also believe that allocating a portion of the TAT to the Honolulu Rail Project will help uphold the completion of a project that will transform Oahu for the benefit of future generations.

We appreciate Chairman Say hearing Bill 40 on the Budget Committee agenda. We look forward to Bill 40 progressing through the legislative process, and the debate and discussion in the months ahead.

Sincerely,

Pane Meatoga III
Hawaii Operating Engineers Industry Stabilization Fund



STANFORD CARR DEVELOPMENT, LLC

October 19, 2021

The Honorable Calvin K.Y. Say, Chair
and Committee Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Say and Committee Members:

SUBJECT: Bill 40 (2021) Relating to the Transient Accommodations Tax

I am writing to express support for Bill 40 relating to the establishment of a City and County of Honolulu (City) Transient Accommodations Tax (TAT).

For years, a state TAT allocation compensated counties for the impacts of tourism on county resources and infrastructure. In an effort to reconcile the State's 2022 annual budget, the counties' share of the State TAT was abolished. However, the Legislature authorized the counties to implement a three percent TAT to offset the discontinued state support.

A new City TAT replaces the lost state subsidy of \$15 million and affords Honolulu with an opportunity to ensure completion of the rail system to the Ala Moana Center. Connectivity to Ala Moana is critical for the development of a vibrant mixed-use and mixed-income transit-oriented community with workforce housing to support the region.

Regarding the specific distribution towards the general fund, transit fund and special account, additional information is needed to determine an equitable allocation, including confirmed costs from HART to complete the rail system. Therefore, I urge the Budget Committee to continue the discussion, but to defer on the specific allocations of the proposed TAT until further details are obtained from HART.

Thank you for the opportunity to participate in this important discussion of financial stability and transit-oriented development.

Respectfully,

Stanford S. Carr



Randy Perreira
President

HAWAII STATE AFL-CIO

888 Mililani Street, Suite 501 • Honolulu, Hawaii 96813

Telephone: (808) 597-1441

Fax: (808) 593-2149

City Council
Committee on Budget
City and County of Honolulu

Testimony by
Hawai'i State AFL-CIO
October 20, 2021

Testimony in SUPPORT of Bill 40 (2021)
Relating to the Transient Accommodations Tax

The Hawai'i State AFL-CIO is a state federation of 74 affiliate local unions and councils with over 68,000 members across both public and private sectors. We appreciate the opportunity to testify in support of Bill 40.

Solid progress is being made on the Honolulu Rail Transit Project, and a dedicated local revenue source is necessary for its completion. A finished rail system running from Kapolei to Ala Moana will make for an efficient public transportation system that truly makes use of a private vehicle optional for more O'ahu residents who commute daily for school and work. A finished rail system will also benefit visitors by providing an additional ground transportation option from the airport.

Establishing a three percent transient accommodations tax is key to generating the revenue needed to invest in O'ahu's public transportation system that will benefit O'ahu residents and visitors alike.

We appreciate your consideration of our testimony in support of Bill 40 and strongly urge you to pass this bill out of the Budget Committee.

Respectfully submitted,

Randy Perreira
President





WADE H. WAKAYAMA
President

HC&D, LLC
2344 Pahounui Drive
Honolulu, Hawaii 96819

P. O. Box 29968
Honolulu, Hawaii 96820

Telephone: 808/832-9200
Facsimile: 808/832-9450

www.hcdhawaii.com

October 19, 2021

To: The Honorable Calvin K. Y. Say, Chair
and Members of the City Council Committee on Budget

Re: **TESTIMONY SUPPORTING Bill 40 (2021) - RELATING TO THE TRANSIENT
ACCOMMODATIONS TAX**

Aloha Chair Say, Vice Chair Cordero, and Members of the City Council Committee on Budget:

I am Wade Wakayama of HC&D, LLC and I am submitting testimony in support of Bill 40 to establish a transient accommodations tax for the City and County of Honolulu. Please set aside a portion for the Honolulu rail project. This new revenue source, a tourist tax, comes from our visitors rather than our residents, both of whom will use and ride a finished rail system. I respectfully request that you pass Bill 40 out of the Budget Committee to keep the discussion and debate moving forward.

Construction of the rail guideway and stations continues at a steady pace. Work on utility relocation also continues. Work is either out to bid or ready to bid, and with design ongoing for the most difficult section of Dillingham Boulevard, we are getting closer to the finish line. A dedicated local revenue source will allow for the completion of a system that will transform Oahu - Westside families will have the option to ride the rail to work and school, rather than spending an hour+ in traffic. Transit-oriented developments to include affordable units along the route will allow for better work-life balances. Almost all systems worldwide are examples of how this will work.

Thank you for the opportunity to submit my statement of support, and look forward to a rigorous debate and discussion in the months ahead.

Mahalo for the opportunity to testify.

Wade H. Wakayama
President

From: CLK Council Info
Sent: Tuesday, October 19, 2021 2:29 PM
Subject: Budget Testimony

Written Testimony

Name	kealii Lopez
Phone	
Email	klopez@aarp.org
Meeting Date	10-20-2021
Council/PH Committee	Budget
Agenda Item	Bill 40
Your position on the matter	Support
Representing	Organization
Organization	AARP Hawaii
Written Testimony	
Testimony Attachment	
Accept Terms and Agreement 1	

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, October 19, 2021 2:36 PM
Subject: Budget Testimony

Written Testimony

Name	John Bond
Phone	
Email	ewabond@gmail.com
Meeting Date	10-20-2021
Council/PH Committee	Budget
Agenda Item	Bill 40
Your position on the matter	Comment
Representing Organization	Organization Kanehili Cultural Hui
Written Testimony	Spending TAT for rail construction is a fraudulent waste of money. A huge majority of the public now views the entire rail project as a huge scam, rip off and liability benefitting only a few developers, unions which apparently pay off politicians to keep it going.
Testimony Attachment	
Accept Terms and Agreement	1

IP: 192.168.200.67



LIUNA!

TESTIMONY OF THE HAWAII LABORERS' UNION LOCAL 368

PETER A. GANABAN
Business Manager
Secretary-Treasurer

ALFONSO OLIVER
President

JOBY NORTH II
Vice President

TONI FIGUEROA
Recording Secretary

JAMES DRUMGOLD JR.
Executive Board

ORLANDO PAESTE
Executive Board

JOSEPH YAW
Executive Board

ESTHER AILA
Auditor

RUSSELL NAPIHAA
Auditor

MARK TRAVALINO
Auditor

MARTIN ARANAYDO
Sergeant-At-Arms

Honolulu City Council
Committee On Budget
Wednesday, October 20, 2021
9:00 AM

RE: Bill 40 (2021) – RELATING TO THE TRANSIENT ACCOMMODATION TAX (TAT).

Chair Say, Vice-chair Cordero, and Committee Members,

The Hawaii Laborers' Union Local 368 and its 5,000 working and retired men and women across the state of Hawaii stand in **strong support** of Bill 40 (2021), which establishes a transient accommodation tax of three percent (3%) for the City and County of Honolulu.

The TAT funding proposed in Bill 40 would allow the City and County of Honolulu to maintain and preserve our island while mitigating the impacts of our natural resources, while also building new and existing infrastructure - including the Honolulu Rail Project. This proposed measure would help generate much needed revenue while having our island visitors help in sharing the cost.

Hawaii Laborers' Union Local 368 respectfully requests that the committee take favorable action on this measure and **support Bill 40.**

Thank you for the opportunity to submit this testimony.

Shingayi Masiya
Government Relations Director

LIUNA Local 368
1617 Palama Street
Honolulu, HI 96817
Phone: (808) 841-5877
Fax: (808) 847-7829
www.local368.org

Feel the Power



Oct. 20, 2021, 10:30 a.m.

Honolulu City Council Chamber and Videoconference

To: Budget Committee

Calvin K.Y. Say, Chair

Radiant Cordero, Vice Chair

From: Grassroot Institute of Hawaii

Joe Kent, Executive Vice President

RE: BILL 40 (2021) — RELATING TO THE TRANSIENT ACCOMMODATIONS TAX

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on Bill 40, which would establish a 3% transient accommodations tax for the City and County of Honolulu.

The proceeds would be divided between the county's general fund, a special account to "mitigate the impact of visitors on public facilities," and the county's transit fund, which probably would be used primarily for the county's rail project. The proportions of these disbursements are yet to be determined.

With the elimination of the county share of the state transient accommodations tax, it is understandable that Honolulu wishes to establish its own TAT. However, we urge the committee to carefully consider the state of the economy before proceeding with yet another tax increase.

Hawaii is still in a state of emergency, tourism has slowed, businesses are closing and unemployment is high. The economy will take years to recover from the economic damage caused by the coronavirus lockdowns.

Some might argue that the TAT will not affect Hawaii residents, as it is aimed primarily at tourists. But this argument ignores three important factors:

>> Tourists are not the only ones who use local transient accommodations.

>> The proposed county TAT would give Hawaii the highest tourism taxes in the nation.

>> The tax would burden a vital local industry which already is struggling to recover from the COVID -19 economic depression.

As the setback from the COVID-19 delta variant demonstrates, there is no guarantee that the tourism industry will rebound quickly or without incident. The University of Hawaii Economic Research Organization (UHERO) recently provided its economic forecast for Hawaii through 2024 and not even by then does it expect Hawaii's visitor arrivals, visitor days or visitor expenditures to reach pre-COVID-19 levels.

In addition, high unemployment, regulatory uncertainty for businesses and continued confusion over the state's destination-management strategy make this a bad time to add more taxes onto one of the state's most valuable industries.

If Honolulu County must replace its former state TAT funding with its own tax in order to address budgetary needs, we urge you to keep that tax as low as possible. One way to do so is to remove any portions of this bill that would fund projects not previously funded through the state TAT — such as the proposed transit disbursement.

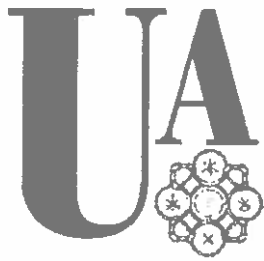
Considering the Honolulu rail's history of cost overruns, questionable decision-making, budgetary issues and overall lack of transparency and accountability, it seems inadvisable to create a special funding source for the project through the TAT.

The Honolulu Authority for Rapid Transportation has made it clear that it is in need of more funding to meet its obligations, but the Council should demand greater transparency and proof of a fiscally responsible, independently reviewed plan for the completion and operation of the rail before creating another rail tax.

Thank you for the opportunity to submit our comments.

Sincerely,

Joe Kent
Executive Vice President
Grassroot Institute of Hawaii



Founded 1889

PLUMBERS AND FITTERS LOCAL 675 UNITED ASSOCIATION



October 20, 2021

Committee on Budget

Councilmember Calvin Say, Committee Chair

Councilmember Radiant Cordero, Committee Vice Chair

Honolulu Hale

530 S. King St.

Honolulu, Hawai'i 96813

Re: Proposed Bill 40 (2021)- Relating to the Transient Accommodations Tax
Wednesday, October 20, 2021 at 9:00 am

Aloha Chair, Vice-Chair, and Committee Members;

Chartered in 1919, the Plumbers and Fitters UA, Local 675 is one of the oldest organized labor unions in Hawai'i and one of three 'licensed' skilled-construction trades, steeped in a rich history as one of Hawai'i's construction-industry pioneers.

On behalf of Local 675, Business Manager Val Ceria, it's hard-working members and their families, we would like to thank the Committee on Budget for considering Bill 40 (2021) that seeks to establish a transient accommodations tax, where a portion of the transient accommodations taxes (TAT) collected during a fiscal year, be deposited into the general fund, into the transit fund established under Chapter 6, Article 61, and into a special account in the general fund to be used to mitigate the impacts of visitors on public facilities.

Maui and Kaua'i recently adopted legislation imposing the 3 percent local TAT pursuant to HB862, and Hawai'i Island is considering a similar measure (Bill 81) to do the same.

Prior to the adoption of HB862 in the last legislative session, Hawai'i's various counties received a fixed shared amount of the state's annual TAT collections. The City and County of Honolulu received 44.1 percent of an annual \$103 million dollar allocation from the TAT collected by the state each year. These funds (approximately \$45 million dollars per year) were deposited into the City's general fund. HB862 repealed this revenue share and authorized each county to establish its own TAT of up to 3 percent of the state's annual TAT revenue for each respective county.

Locally collected TAT Revenue will assist the City in successfully completing the City's largest public works project to date and dedicate funding to maintaining public beaches and parks.

Prior to HB862, Hawai'i was one of five states¹ where its counties did not impose taxes on visitor accommodations.²

¹ Connecticut, Delaware, Hawai'i, Maine, and New Hampshire.

² State Lodging Taxes, National Conference of State Legislatures, October 20, 2020.

Currently, the state contributes approximately 75 percent of the Honolulu Rapid Transit Project (H RTP) funding while the federal government has allocated approximately 21 percent, and the city covers the remaining 4 percent.

Funds collected from a locally imposed hotel room tax as provided in Bill 40, will not only bring the City and County of Honolulu in line with other Hawai'i counties and the majority of local governments nationwide who impose a similar local visitor accommodations tax, but will provide funding necessary to address impacts to our community caused and/or contributed to by tourism.

Tourism-related studies and surveys indicate adverse socio-economic and environmental impacts from tourism on O'ahu and across our state.

Tourism has been linked to many of Hawai'i's adverse socio-economic and environmental impacts including but not limited to the overuse of beaches, hiking trails, parks and other natural resources, traffic impacts³, higher cost of living, and lack of affordable housing inventory^{4,5,6} resulting in the degradation of island resources and severe impact to many island residents overall quality of life and ability to afford to remain in Hawai'i.

Bill 40 not only provides the means to replace the City's revenue lost as a result of HB862, but dedicates a portion to addressing tourism-related impacts like the completion of the H RTP which addresses housing, cost of living and traffic impacts, and the restoration and maintenance of City facilities, including beaches and parks (Please note, prior to HB862, no funds were dedicated to mitigating impacts from visitors).

The H RTP serves as a catalyst that promotes smart, sustainable growth and mitigates tourism-related impacts on O'ahu.

The H RTP serves as a catalytic project that directly offsets tourist-related impacts; i.e.; increased traffic, higher cost of living, and severe lack of affordable housing. The H RTP through its transit-oriented development areas and related policies, facilitates and encourages directed smart and sustainable growth and redevelopment within the urban core and along the rail corridor.^{7,8}

Bill 40 provides that TAT revenues collected are used to improve the lives of our residents as well as our visitors experience while visiting the islands, and address tourism-related impacts to our communities.

Local 675 respectfully requests passage out of your Budget Committee and looks forward to working with the City Council to adopt this very important measure. Mahalo for the opportunity to testify.

³ Hawai'i Tourism Authority recently (Sept. 2021) published the Destination Management Plan (D MAP) where through a survey, visitors indicated Oahu's traffic situation as a concern.

⁴ The Impacts of Vacation Rental Units in Hawai'i, SMS Research & Marketing Services, Inc., November 2016.

⁵ Spencer, D., Lesar, L., Szuster, B., & Eversole, D. (2020). Socioeconomic Impacts of Tourism in Kailua and Waimanalo, Hawai'i. A Contribution to the Windward O'ahu Tourism.

Assessment. University of Hawai'i Sea Grant College Program. UNIHISEAGRANTTT-20-04.

⁶ Hawai'i Housing Planning Study 2019, SMS Research & Marketing Services, Inc., December 2019.

⁷ Transit-oriented development assistance will help Honolulu, HI make more housing more affordable, Aaron Westling, April 13, 2016, smartgrowthamerica.org.

⁸ The Interim Planned Development-Transit (IPD-T) permit under Ordinance 14-10. Established on June 20, 2014, the IPD-T permitting process allows "TOD projects prior to the adoption and implementation of the individual neighborhood TOD plans and TOD development regulations."

From: CLK Council Info
Sent: Tuesday, October 19, 2021 4:13 PM
Subject: Budget Testimony

Written Testimony

Name Paul Yonamine
Phone
Email paul.yonamine@cpb.bank
Meeting Date 10-20-2012
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Organization
Organization Central Pacific Bank

I am Paul Yonamine, Executive Chairman of Central Pacific Bank and I am submitting testimony in support of Bill 40 to establish a transient accommodations tax for the City and County of Honolulu. Of this amount, I would respectfully request that a portion be set aside for the completion of the Honolulu rail project. This new revenue source, a tourist tax, comes from our visitors rather than our residents, both of whom will use and ride a finished rail system.

Written
Testimony

Construction of the rail guideway and stations continues at a steady pace. Work on utility relocation also continues. Work either out to bid or ready to bid, and with design ongoing the most difficult section of Dillingham Boulevard. We are getting closer to the finish line and a dedicated local revenue source will allow for the completion of a system that will transform Oahu - Westside families will have the option to ride the rail to work and school, rather than spending an hour+ in traffic. Transit-oriented developments (TOD) to include affordable units along the route will allow for better work-life balances.

Rail and TOD represents the single most important economic driver for the City and County of Honolulu and the state of Hawaii. It also presents an invaluable opportunity for more affordable housing development for generations to come. Don't stop and impede progress of rail because of past project mismanagement. We should make sure the project is fully funded and that capable project managers are hired, positioned and empowered to complete this project.

Thank you for the opportunity to submit my statement of support, and look forward to a rigorous debate and discussion in the months ahead.

Testimony
Attachment



Honolulu County Council | October 20, 2021
Bill 40 – Testimony in Support & With Comments

Aloha Chair Say, Vice Chair Kia'āina, and Members of the Budget Committee,

My name is Doorae Shin, and I am submitting testimony in support of Bill 40 on behalf of the Surfrider Foundation O'ahu Chapter and our thousands of volunteers, members and supporters.

We are a part of a coalition with several organizations and community stakeholders to advocate for a Visitor Green Fee at the State level. Given this bill, we support the bill and request the following as amendments under Section 8A-1.1 (highlighted in yellow):

Sec. BA-I .1 Establishment of transient accommodations tax and disposition.

(3) 33.3% percent of all transient accommodations taxes collected pursuant to this chapter during the fiscal year will be deposited into a special account in the general fund, to be appropriately named by the department of budget and fiscal services. The funds in the special account must be used to mitigate the impacts of visitors on public facilities and natural resources, including the restoration and maintenance of beaches and parks. These funds must be used to supplement, not replace, what is already allocated for beaches, parks, and natural resources.

A portion of the funds shall be distributed to community groups who can help the City & County of Honolulu mitigate the impacts of visitors on public facilities and natural resources.

Our island faces continued and heavy impact on our beaches, parks, and natural resources from visitor activities, and our island requires the additional resources to mitigate these impacts and restore these natural resources. Nearly all visitors come to Hawai'i with the intention to enjoy our iconic shorelines, and these special places are facing increased risks from coastal erosion, sea level rise, and other threats. We must ensure we have the resources to maintain the health and stability of these ecosystems, both for the benefit of the environment and for the residents and visitors who depend on them. This bill, with our suggested amendments, allows for this. Mahalo nui loa for your consideration.

With aloha,

Doorae Shin
Surfrider Foundation
O'ahu Chapter Coordinator

Testimony of
Pacific Resource Partnership

City Council
City & County of Honolulu
Committee on Budget
Councilmember Calvin K.Y. Say, Chair
Councilmember Radiant Cordero, Vice Chair

Bill 40 (2021)—Relating to the transient accommodations tax
Wednesday, October 20, 2021

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

Pacific Resource Partnership (PRP) writes in **strong support** of Bill 40 (2021) which establishes a Transient Accommodations Tax (TAT) for the City and County of Honolulu. We respectfully request that the final version of this bill contain a fixed percentage of the TAT dedicated to fund the Honolulu Rail Transit Project (Rail) for the completion of the 20-mile system containing 21 stations, from West Kapolei to Ala Moana. The source of this new revenue will come from visitors rather than residents, both of whom will use and ride the Rail when completed.

We respectfully request that you pass Bill 40 out of the Committee on Budget to keep the discussion and debate moving forward. Every month that is allowed to pass without an established TAT for Honolulu, an opportunity to generate more revenue for county projects and services, including Rail, is lost.

Dedicating a fixed percentage of TAT to fund Rail will allow the County to use money from visitors to complete this important infrastructure project that will provide many benefits to the residents of Oahu, including but not limited to:

- Support the development of equitable transit-oriented communities where housing, commercial/retail, and community services will be facilitated by a robust multimodal transportation network comprised of public and private modes.
- Encourage the development of housing around rail stations, including much-needed affordable housing.
- Generate more real property tax revenue for the City from the construction of additional homes, businesses, and other facilities built around rail stations.



(Continued From Page 1)

- Provide more job opportunities for Oahu's local workforce who will build rail and its surrounding communities in TOD areas, and who will work at businesses created in these new communities.
- Reduce Greenhouse Gas (GHG) emissions and other local air pollution by allowing drivers of vehicles to use Rail as an alternative mode of transportation.
- Incentivize more concentrated station-centric development to maintain open space and not force residents to seek housing in rural communities.

Given the above, we request your favorable decision on this bill.

Thank you for this opportunity to testify.



**HAWAI'I LODGING & TOURISM
ASSOCIATION**

**Testimony of
Mufi Hannemann
President & CEO
Hawai'i Lodging & Tourism Association**

**Honolulu City Council
Committee on Budget
Bill 40 (2021)
October 20, 2021**

Chair Say and members of the Committee, mahalo for the opportunity to submit testimony on behalf of the Hawai'i Lodging & Tourism Association, the state's largest private sector visitor industry organization.

The Hawai'i Lodging & Tourism Association—nearly 700 members strong, representing more than 50,000 hotel rooms and nearly 40,000 lodging workers—strongly opposed the passage of House Bill 862 which, among myriad other issues, stripped the State Transient Accommodations Tax (TAT) allocation to the counties and allowed for up to an additional, three-percent surcharge to be levied on lodging properties. The surcharge proposed by this measure represents a 29% increase to the TAT that comes at a highly inopportune time for an industry that has been drastically affected by the pandemic and travel restrictions. However, with the veto, override by the Legislature, and the ultimate passage of HB 862, we recognize the financial position in which the City & County of Honolulu finds itself and the need to deliberate on the introduced bill. As the latest version of Bill 40 (2020) does not stipulate the percentages by which the collected tax monies will be divided between the general fund, transit fund, and the unnamed visitor impact fund, we would like to provide comments on the proposed measure at this time.

As the vast majority of monies raised by the TAT—and the new, three-percent surcharge—will undoubtedly come from the pockets of visitors, it is our position that the lion's share of these funds should be utilized to address tourism-focused needs and the impacts created by travelers to Hawai'i. The opportunities in this regard are endless and could include more routine county tasks such as road refinishing and updates to our infrastructure, but should also be used on projects more directly associated with tourism impacts like trail management, beach and park maintenance, additional support for first responders, and the provision of adequate public safety staffing at beaches and other City installations.

We are all aware of the discussions currently happening in the community that focus upon tourism, its impact on our natural resources and communities, and the significant role it plays in our economy. Anti-tourism sentiments are at an all-time high, and both the tourism industry and the community are working to strike a fine balance that suits both residents and visitors to our home. Relegating a significant portion of funds generated by the surcharge to the tourism impact fund would ensure that the City is appropriately addressing the various issues surrounding tourism with visitor dollars and would make transparency in the process that much more likely. The Hawai'i Tourism Authority's Destination

Management Action Plan process—which aims to better manage tourism for our entire state—has been completed for O‘ahu, and this would be an ideal jumping off point to begin discussion of how surcharge funds are utilized for some of their priorities. Finally, we would also like to better understand who will oversee the special tourism impact fund and ensure that said funds will be used for their intended purposes through a transparent process.

We look forward to a robust public discourse on this measure and thank you for the opportunity to provide these comments.



HAWAI'I APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice

SUPPORT – Relating to Transient Accommodations Tax

City and County of Honolulu

Wednesday, October 20th, 2021 9AM

Aloha Chair Waters and Councilmembers,

We at Hawai'i Appleseed **strongly support** Bill 40 and efforts to use TAT funds to complete the rail project as it will dramatically increase the housing stock in TOD areas, and create efficient and equitable access to transit. To support the affordable housing that Oahu desperately needs, **we must finish the rail and provide the subsidies needed to ensure that housing is prioritized for local residents and stays affordable over the long-term.**

In addition, we urge the council **to provide that a fixed percentage of the TAT be allocated to rail funding** so the project can be completed in a fiscally responsible way with a secure funding stream. Ideally, all of the necessary funds for completion and ongoing maintenance can come from this dedicated funding which is paid for by visitors to Oahu.

Finishing the rail will enable thousands of homes to be built along the rail corridor. With appropriate affordability restrictions and public support these homes can address the severe shortage of affordable housing here on Oahu. A recent 2020 study prepared by PBR Hawaii for the Hawaii Office of Planning, estimates the addition of 50,900 residential units around the East Kapolei, Stadium, and Iwilei TOD areas alone.¹ Although these homes will be built in phases over the next 40 years, it is clear that development around rail can substantially contribute to our supply of affordable housing. According to the 2019 Hawaii Housing Planning Study, Oahu will need an additional 22,168 residential units by 2025, with half of the need for households with combined incomes of \$75,000 or less.

Rail is needed to alleviate traffic and provide walkable neighborhoods.

As Oahu plans for the future we should be focused on housing constructed in walkable urban neighborhoods with easy access to amenities, parks and transit. To support the smart, affordable, and sustainable growth that is needed we should be building around rail-but first we must complete the rail. Access to rail offers an alternative to driving, is likely to reduce traffic for

¹ July 2020, State Transit-Oriented Development (TOD) Planning and Implementation Project for the island of Oahu, by PBR Hawaii for the Hawaii State Office of Planning, Attachment C

communities along the Leeward Coast, and will create a more equitable way to access the urban core of Honolulu.

We strongly urge the council to pass Bill 40 and to continue to work towards creating a comprehensive affordable housing strategy for the residents of Oahu. Completing the rail is vital to enable housing construction, but it will take further efforts to ensure that a majority of housing is reserved for local residents and stays affordable over time.

Mahalo for the opportunity to testify.



WAIKĪKĪ IMPROVEMENT ASSOCIATION

**Testimony of Rick Egged
Waikiki Improvement Association
Before the
Honolulu City Council
Wednesday, October 20, 2021. 10:00AM
In consideration, of Bill 40 (2021)**

Aloha Chair Waters and members of the Council,

My name is Rick Egged, President of the Waikiki Improvement Association (WIA). The WIA is a membership organization consisting of landowners, hotels, retailers and restaurants in Waikiki, the businesses that serve them and those interested in the future of this important part of our community and economy.

The Waikiki Improvement Association (WIA) opposes Bill 40, Relating to the transient accommodations tax. (Establishing a transient accommodations tax for the City and County of Honolulu, provide for its imposition and disposition, and facilitate the receipt and deposit of the revenues derived from the transient accommodations tax.)

WIA understands that Bill 40 results from the unfortunate actions of the 2021 Hawaii State Legislature, removing the counties share of the State Transit Accommodations Tax (TAT). Nevertheless, we cannot support yet another tax increase on our visitors patronizing Oahu's legitimate accommodations. Hawaii's tax on visitors is already one of the highest in the nation. It is especially difficult to justify another increase in the TAT while thousands of vacation rental units continue to function outside the law dodging the State TAT and any new tax imposed by the City.

Further if Bill 40 (2021) passes the monies collected should be used to mitigate the direct impacts of tourists on the City budget such as police, highways, parks etc. The monies collected should not just vanish into the general fund.

Mahalo for the opportunity to testify.

From: CLK Council Info
Sent: Tuesday, October 19, 2021 8:01 PM
Subject: Budget Testimony

Written Testimony

Name Rachael Roehl
Phone
Email rachael@sustainablecoastlineshawaii.org
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Support
Representing Organization
Organization

Aloha,

I am writing in support of Bill 40 and I am requesting that 33% of the County TAT be dedicated to parks, beaches, and natural resources. These funds should supplement (not replace) any funding already allocated to beaches, parks, and natural resources.

Our county's natural resources are severely underfunded, and the TAT can help fill the gap in conservation funding only if a significant amount of it is allocated towards this purpose. Our visitor industry relies almost entirely on our island's natural resources, parks, and beaches to thrive. Because of this, visitor dollars need to play a bigger role in the maintenance and conservation of those resources.

Written
Testimony

As a nonprofit leader who specializes in cleanups and coastal conservation, I see first hand the impact of tourism on our parks, beaches and natural resources. I believe we are at a critical turning point where we need to prioritize the conservation and protect our natural ecosystems and the cultural significance, economic value, and ecosystem services that they provide.

Please consider allocating at least 1/3 of the County TAT towards our natural ecosystems.

Mahalo for your time and consideration,
Rachael

Testimony
Attachment

Accept Terms
and Agreement 1

From: CLK Council Info
Sent: Tuesday, October 19, 2021 6:59 PM
Subject: Budget Testimony

Written Testimony

Name Salome sato
Phone
Email Salome789@gmIl.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Oppose
Representing Self
Organization

Written Testimony Even tho I cannot vote, I oppose any diversion of the proposed 3%Tat to be used to support the RAIL. I think the monies should be used to support n improve our roads n bus system.
Thank you!

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Wednesday, October 20, 2021 7:28 AM
Subject: Budget Testimony
Attachments: 20211020072825_Testimony_10-6_re_TAT.pdf

Written Testimony

Name Stanford Masui
Phone
Email standamanmasui@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40 (2021)
Your position on the matter Oppose
Representing Organization
Organization RAILSOS (Study Other Solutions)

Mr. Chairman and honorable Councilmembers:

Attached is my testimony for the first reading of this bill. In addition to my previous comments, please see the link:

<https://www.staradvertiser.com/2021/10/15/hawaii-news/honolulu-rail-officials-not-counting-on-city-tourism-tax-to-fix-3-5b-shortfall/?HSA=0a456d97318af4f1f6681aa39cbb79bcac008847&comment:>

" Officials with the city's troubled rail project are waiting for the City Council to decide

whether to impose a new city hotel tax that could benefit the Honolulu Authority for Rapid Transportation, but do not expect it to plug their \$3.5 billion deficit — and have no alternative hopes of outside funding."

In addition the following points should be considered:

Written Testimony 1. HART has no other revenue plan, but is supposedly awaiting the Council's vote on this measure, meaning they are using TAT as part of a recovery plan to be determined. The recovery plan should come first, not diverting needed operation funds from TAT.

2. TAT was started to share operational costs, not capital costs of construction for the rail.

3. After a decade, the Star-Adv link indicates HART reliance on a consultant to determine its financial status. It is shocking that there is no internal auditing and financial controls in place, which explains why HART is way over its original projections. No further funding should be made by the council until HART "cleans house" so it can properly supervise its own budget and spending.

4. The Council and the public can have no confidence that current projections of expenditures and completion will eventuate as stated, i.e., \$3.6 billion additional funding and completion by 2031. Given lack of internal financial controls, TAT funds will go down a "black hole" where

no accountability will be obtained from HART. In view of the desperate financial status of the City and County, the Council should not go along with this proposed diversion.
Thank you for your careful consideration.

Testimony
Attachment 20211020072825_Testimony_10-6_re_TAT.pdf

Accept Terms
and 1
Agreement

IP: 192.168.200.67

Name Stanford Masui
Phone
Email standamanmasui@gmail.com
Meeting Date 10-06-2021
Council/PH
Committee Budget
Agenda Item Bill 40
Your position
on the matter Oppose
Representing
Organization Organization
 RAILSOS (Study Other Solutions)

Chairman Waters and members of the council:

Our organization opposes this bill as written:

1. It assumes that a portion of the TAT will be set aside for a transit fund for the rail. This assumption should not be made without a vigorous discussion as whether funds should be siphoned off for a project that is no longer financially viable. To put it bluntly, why "throw good money after bad?"

2. The rail is at an inflection point as to whether it should be constructed beyond its current endpoint at Middle St. or further intensive study as to viable alternatives rather than continuing on to Ala Moana at a prohibitive cost. Past FTA administrators have urged the city to consider modification of its plans, a clear signal that additional funding may not be forthcoming.

Written
Testimony

3. Transit Oriented Development is a myth. Most of the building of condos in the Kapiolani corridor were planned without any consideration of the rail route. This is amply demonstrated by the fact that while HART struggles to come up with a funding plan and completion to Ala Moana is questionable, developers are proceeding to build. The numbers and actual cost of affordable housing in these condos are still too expensive for most people to afford. Only one major project currently is in Ewa and that was planned years before the rail was developed.

4. There are urgent issues that require immediate and priority funding: homelessness and the mental health system, police, fire, and emergency services funding, road and highway improvement, and cleanup and improvement of tourist recreational areas such as parks and beaches.

5. Rather than triggering economic growth, the public will be saddled with enormous debt by the borrowed funding, and operational expense estimated variously at present, at \$120- \$150 million per year.

Electricity costs will cause operational expense to double. This project could bankrupt the city.

6. HART should develop a funding or recovery plan before it comes to the council for a portion of TAT revenues.

7. The final Environmental Impact Statement indicates only a minimal effect in alleviating traffic congestion which is the major argument in favor of funding the rail. The motoring public will not see any improvement in driving times, and the studies were made years ago, and are no longer reliable.

The Council is urged to delete any provision that funds the rail, in favor of funding other urgent priorities.

Thank you for your consideration

Date: October 20th 2021

Committee on Budget

Agenda Item: BILL 40 (2021) – RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

Aloha Chair Say and Members of the Committee on Budget,

As the executive director for Sustainable Coastlines Hawai'i (SCH), I am writing to add comments regarding Bill 40 (2021) and the proposed transient accommodation tax (TAT). SCH is in full support of the TAT, and furthermore is in support of the TAT including, at minimum, 33% of said tax to support the special fund for protecting our beaches, parks, and **natural resources**. It is imperative that no less than one third of the proposed tax goes to protect and restore the very things that all tourists of this island come to enjoy. We also believe that the inclusion of "natural resources" is necessary to extend beyond just beaches and parks. The ecosystems of these islands do hold to boundaries of beaches and parks and need to be looked at holistically from mauka to makai to fully offer the protections that they need to survive an era of climate impacts and abundant human use.

SCH has spent a decade inspiring local communities to care for their coastlines – hosting the state's largest and most engaging beach cleanups, reaching more than 40,000 students in classrooms across the state, and working directly with events and businesses to reduce the impact they have on these islands. The wave of plastic pollution we see is exponentially increased by the effects of millions of visitors and by a local and global reliance on a convenience culture that neglects to understand the impacts on our ecosystems and the natural resources contained within them.

Mahalo for taking the time to read this testimony and for your efforts to find avenues towards protecting our most valuable resources. Please do not hesitate to reach out if you have any questions about the work of SCH or our expertise in the fields outlined above.

With Aloha,



Rafael Bergstrom

Executive Director, Sustainable Coastlines Hawai'i

From: CLK Council Info
Sent: Wednesday, October 20, 2021 8:28 AM
Subject: Budget Testimony

Written Testimony

Name	Diane Anderson
Phone	
Email	sundancerealty@hawaii.rr.com
Meeting Date	10-20-2021
Council/PH Committee	Budget
Agenda Item	Bill 40
Your position on the matter	Oppose
Representing	Self
Organization	
Written Testimony	NO NO NO No More... Alternatives need to happen . No to any more tax dollars on rail. Period.
Testimony Attachment	
Accept Terms and Agreement 1	

IP: 192.168.200.67

From: CLK Council Info
Sent: Wednesday, October 20, 2021 8:43 AM
Subject: Budget Testimony

Written Testimony

Name kevin taylor
Phone
Email kdthawaii@gmail.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item bill 40
Your position on the matter Oppose
Representing Self
Organization

HART rail has been a lie from day one. It was voted on, and barely passed, at just under 5 Billion dollars.
Not one piece / item is at or near original budget - everything has been over budget from day one.

Now we are 8 Billion over budget - with no end in site.
We are 10 years + behind schedule - if you believe the people who have never been right on anything they predict.

HART is now fighting a Kakaako developer - spending more on legal fees than the developer wanted for the land - and at the end of the day, IF this one speck of land is acquired by HART, the costs will be HUGE.

Written Testimony

This is no way to do a project, especially a rail that never ends. The C & C of Honolulu needs to face the glaring facts:

- There are things the City does well - building a rail system has not / is not / will never be one of them.
- The City is in way over its head.
- The City's rigid structure can only result in more cost overruns and delays.
- The commuters that would be served if rail were to be finished won't benefit / won't ride this train.
- There is not enough money to keep throwing at HART to hope that the project moves forward.
- The projected costs to run the rail, once completed, are just too high (and this is from the people who have never been right on a single budget to date - which means the actual costs will be INSANE).
- Giving part / all of the 3% TAT to HART will be a total waste, and will not help areas on

Oahu that need this money.

In short: This patient (rail) has died on the operating table. The executor (HART) has kept it on life support for years. They are in denial - this patient will never recover. As rail cannot speak for itself, we must step up, and pull the plug, and donate any salvageable organs (parts, materials) to other projects that might benefit (there are many).

Will it be easy to admit that HART is a failure? No.
But it needs to be done.

As the City, HART, and associated "experts" lack the ability to do the right thing, the City should take the easy way out - put it on the ballot, and let the majority of Oahu voters kill rail (and they will kill it).

Rail is not needed, we cannot afford to build it, we won't be able to afford to operate it, and continuing to shovel money into rail makes all other programs suffer.

Aloha

Testimony
Attachment

Accept Terms
and Agreement

1

IP: 192.168.200.67

From: CLK Council Info
Sent: Wednesday, October 20, 2021 8:44 AM
Subject: Budget Testimony

Written Testimony

Name Lisa K Tam
Phone
Email ekt222@hawaii.rr.com
Meeting Date 10-20-2021
Council/PH Committee Budget
Agenda Item Bill 40
Your position on the matter Oppose
Representing Self
Organization

Written Testimony I completely oppose to diverting any monies to the Rail! This is wrong. The rail has proven to be a huge astronomically expensive and corrupt fiasco! It is hewa loa! Absolutely no monies should be pulled out of TAT to support the rail. This is tantamount to stealing to support a fiscally criminal enterprise! Please listen to the People of Hawaii. Vote NO on Bill 40.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67