



HAWAI'I LODGING & TOURISM
ASSOCIATION

September 14, 2020

The Honorable David Y. Ige
Governor of Hawai'i
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Governor Ige:

We, the leaders of the Hawai'i Lodging & Tourism Association, the Chamber of Commerce Hawaii, and the Hawai'i Agricultural Foundation, respectfully request that you set a date for the restoration of travel to the Hawaiian Islands.

As new COVID-19 cases around the state continue to trend down, we ask that you relax travel restrictions as soon as possible. While an ideal situation would see all travel restored on October 1, we would also support a staged reopening that would include either a pre-testing program for interisland travelers or the establishment of a resort bubble on a Neighbor Island, either of which would obviate any need for a quarantine period. If either or both of these were to launch on October 1, we are confident that trans-Pacific travel could resume on October 15.

As the *Honolulu Star-Advertiser* noted in its September 13 editorial, "... the inescapable fact is that Hawai'i must get back to business promptly ... leaders must push ahead to restart tourism on a certain date." The longer we continue to delay, the more our entire community will suffer in ways too numerous to quantify.

Please consider the recent findings of several economic studies:

- 70 percent of all Hawai'i businesses have been forced to make staff cuts or other reductions.
- The percentage of businesses that have reported they will close permanently has risen from 6 percent to 17 percent.
- If tourism had reopened on August 1, 46 percent of businesses stated that no additional cuts would be needed. This number drops to 30 percent if the quarantine remains in place until October 1.

The following sectors, which garner a high percentage of revenue from tourists, have been impacted the greatest:

- Accommodations (96 percent revenue from tourism)
- Food services (47 percent revenue from tourism)
- Retail (54 percent revenue from tourism)

A recent study conducted by the University of Hawai‘i’s Public Policy Center reported that 56 percent of restaurateurs indicated there had been serious consideration to close their businesses. In that same study, 78 percent of respondents reported that their restaurant would need rent forgiveness for the time it had been closed for it to remain open.

These findings support an underlying theme: our local economy, for better or worse, is reliant upon a strong and thriving tourism sector. If we have any hope of recovering our economy in an expedient manner, we must begin to reopen our doors to visitors.

We believe this is necessary and possible to do while protecting the health and safety of visitors and residents alike. As you know, the Andaz Maui at Wailea Resort is currently operating a resort bubble for the production of the “Temptation Island” television series. The “film bubble” concept, which received your approval as well as that of two county mayors and local labor unions, is serving as the unofficial proving ground for travel in the near future. We are confident that it will successfully demonstrate the viability of resort bubbles, which are already under consideration for several of the Neighbor Islands, including Maui and Kaua‘i, as a possible first step for the visitor industry.

A key factor to the success of the concept was the stringent testing protocols that were put in place to protect the cast, crew, hotel staff, and Maui residents. As such, we completely support a similar testing program to be enacted as part of reopening Hawai‘i. Under this program, all visitors should be tested prior to arrival. Ideally, if they have not been tested, they should not be allowed to leave the airport until they have done so, albeit we recognize this is contingent on the availability of testing. This would all but ensure the protection of our local populace while still allowing for healthy visitors to infuse much-needed revenue into our local economy.

Additionally, we recognize the need for local businesses to do their part to keep Hawai‘i healthy and safe. As such, we ask that you use the Hawai‘i Lodging & Tourism Association’s Health, Safety, & Security Standards that have been implemented at hotel properties around the state as a model for other industries to codify their own practices that would best suit their businesses. Like the HLTA standards, these should be vetted and approved by your Department of Health. Moreover, we ask that a central State authority be assigned to oversee compliance with each industry’s respective standards for the foreseeable future.

We believe that enacting these suggestions would only strengthen the existing sentiment among a sizeable bloc of travelers that Hawai‘i remains both a premier and safe destination to which they can travel. We also believe that this notion is building support among our residents. Recent polling conducted by the Hawai‘i Visitors & Convention Bureau found a significant shift among local respondents. When asked in May how rapidly the policy of discouraging travel to Hawai‘i should be changed, 16 percent of O‘ahu respondents answered, “immediately.” This number grew to nearly 45 percent by August. Hawai‘i is both ready and capable of reopening.

In closing, it must be stated that our economic forecast is dire and worsening. Health benefits for many furloughed workers are expiring, and the additional unemployment benefits provided by the federal government will soon lapse. The far-reaching effects of keeping

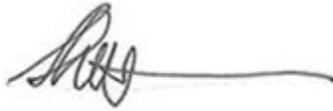
businesses closed will only continue to compound. We must reopen, and we must do so as quickly as is feasible.

Mahalo for taking our request under consideration. Should you require further information or further discussion with us, we are available to meet with you at your convenience.

Sincerely,



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



Sherry Menor-McNamara
President & CEO
Chamber of Commerce Hawaii



Denise Yamaguchi
Executive Director
Hawai'i Agricultural Foundation

CC: Mayor Kirk Caldwell
Mayor Derek Kawakami
Mayor Michael Victorino
Mayor Harry Kim