

Spring Magazine 2019

Hawaii Aloha by HPMA President Jim Yates

New Legislators Abound as Hawaii Legislature Gets Underway

The 30th Hawaii Legislature opened to subdued fanfare in mid-January as lawmakers — many of them new to their roles — rolled up their sleeves to address the People's work. There are 51 seats in the state House of Representatives and 25 in the state Senate. Ten new House members and four new Senate members graced the floor of the Capitol on opening day — an 18 percent turnover from the November 2018 election.

While each new legislator has much to offer in his/her own right, it was freshman Senator Kurt Favella who captured the public's attention. Favella became the lone Republican to serve in the state Senate since Sam Slom was defeated in the 2016 election. The Hawaii state Senate is no longer the only legislative chamber in the country with a single party holding all seats.

Hawaii Legislation

Sea level rise due to climate change, minimum wage increases, banning the sale of tobacco products, and increases in fuel taxes head the list of issues confronting HPMA and other businesses this session.

Lawmakers are attempting to rewrite statutes governing the development, sale and upkeep of properties that are situated in sea-level inundation zones. These actions are being driven by recommendations put forth by Hawaii's Climate Change Mitigation and Adaptation Commission.

Having introduced no less than 23 measures on the minimum wage, legislators are bent on passing a higher minimum wage that would also serve as a living wage, a nexus that the business community opposes.

Bills banning flavored tobacco products, increasing the minimum age for being able to purchase tobacco products, and prohibiting the sale of tobacco products if the retailer is situated within 750 feet of a school, pre-school or playground are being tested now in legislative hearings.

Finally, lawmakers are seeking increases in the state fuel tax, the tax that is assessed on each barrel of petroleum product ("barrel tax"), motor vehicle weight fees and registration fees—a type of paradox that is intended to offset decreases in tax revenue due to mandates that transition Hawaii away from fossil-fuel use.

Voters Return Ed Case to Washington DC

It isn't often that we see a change in Hawaii's Congressional delegation. Ed Case, cousin to former America Online chairman and CEO Steve Case, is back in Washington, DC, this time representing the people of Hawaii's 1st Congressional District. Case won handily in both the primary and general elections to replace U.S. Representative Colleen Hanabusa, who vacated the seat to run for Hawaii governor but lost to incumbent David Ige. Case previously served in Congress representing Hawaii's 2nd District from 2002 to 2007. He is often referred to as a Blue Dog Democrat, given his relatively conservative voting record on Capitol Hill during his first tenure.

Governor Ige Gains Second Term in Office

By winning his second term in office against overwhelming odds, incumbent Governor David Ige gave credence to the old Winston Churchill saying: "*Never, never, never give in.*" Labeled as ineffective and indecisive by several of his outspoken former colleagues in the Hawaii Legislature — including his own lieutenant governor who left office before his term was up — Ige stood his ground and conducted a well-engineered re-election campaign rivaled only by his first-term primary election win over then-incumbent Governor Neil Abercrombie.

In last year's Democratic primary, Ige won a narrow but decisive victory over Colleen Hanabusa, who had stepped down from her Congressional seat to challenge him on the Democratic ticket. Ige went on to win in the general election by a wide margin over GOP challenger and state Representative Andria Tupola. State Senator Josh Green, an emergency room physician from the island of Hawaii, joined Ige as his running mate and, eventually, as lieutenant governor.

Changing of the Guard at Aloha Petroleum

Aloha Petroleum President and CEO Richard Parry retired at the end of 2018 after leading the Hawaii gas station and convenience store operations for over a decade.

Replacing Parry is Tom Grimes, who most recently served as Aloha Petroleum's vice president and chief financial officer.

According to a news article, under Parry's leadership, Aloha Petroleum expanded its Aloha Island Mart convenience store brand from 30 to 54 locations; purchased Shell's Hawaii assets; acquired Menehune Food Mart's retail assets on Kauai; added 500 new employees and won the exclusive franchise rights for Dunkin' Donuts in the state of Hawaii.

Best wishes to Richard on his well-deserved retirement, and good luck to Tom on his new responsibilities.

Par Hawaii Breaks Ground on New Location in Kapolei, Oahu

Par held a groundbreaking event at the site of its Leihano development in Kapolei late last year. This represents the first new station the company has built from the ground up since 2014. The opening date is targeted for late summer/early fall 2019.

The station, which will be a completely new construction with 12 fueling positions and will fly the Hele fuel brand, is located on a 1.2-acre parcel of fee simple land, which Par Hawaii acquired from KSL Leihano Holdings for \$2.8 million in February 2017. 7-Eleven, a long-time Par Hawaii partner, and Starbucks, a new partner, will be tenants on the site.

This is the second Hele station in Kapolei, Oahu's fastest growing region. The new station will be located near the corner of Kapolei Parkway and Fort Barrette Road, where daily traffic volume is estimated to be 50,000 vehicles each.

Artist's rendering of Par's new Leihano Hele fueling station being constructed with tenants Starbucks and 7-Eleven.

2019 Golf Tournament at Oahu Country Club, Honolulu

Join Us on Monday, October 14 on the Island of Oahu, for a day of golf, fellowship and networking. HPGA tournament tee times start at 11 a.m.

There is only one Oahu Country Club! *Founded over 100 years ago. Known as the "Grand Dame" of Hawaii golf courses, Oahu Country Club continues to be at the center of Hawaii golf since its founding.*

Find golf registration/sponsor form online at www.wpma.com/hawaii/calendar-of-events.