

Aloha Chair Sugimura and Members of the Committee,

Thank you for the opportunity to provide written testimony on the Maui Economic Recovery Commission (ERC) report, *“A Community-Led Pathway Toward Maui’s Economic Recovery and Future.”* As you receive the ERC’s formal presentation, I respectfully ask that you view this report with a critical eye. While it contains valuable data on economic losses and some useful documentation of fire impacts, there are also serious weaknesses, red flags, and omissions that should not go unaddressed. These issues directly affect the fire victims who are still displaced and the transparency of how billions in recovery funds are being spent.

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## **Acknowledging the Report’s Strengths**

The ERC should be credited for compiling and organizing economic data from sources such as DBEDT, UHERO, FEMA, and HUD. The report provides a clear summary of job losses, tourism revenue impacts, and the scale of housing destruction. For example, Table 4 (p. 19) accurately notes that 3,635 housing units were destroyed, and the report candidly acknowledges that at least 1,000 residents have left Maui and Lahaina public school enrollment has fallen by 925 students (p. 7–9). These are important truths that should guide policy decisions.

However, this is where the strength of the report largely ends. The ERC’s framing of the recovery as “community-led,” its heavy emphasis on tourism industry statistics, and its lack of financial transparency create serious credibility concerns that the Committee should address.

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## **Weaknesses, Red Flags, and Misrepresentations**

### **False “Community-Led” Narrative**

The report repeatedly claims the recovery is “community-led” and “inclusive” (Intro, p. 1; Co-Chairs’ Message, p. 3–4), but the membership list (p. 5–18) tells a different story. The ERC is heavily populated by government officials, banks, utility executives, hotel associations, and corporate developers. There is no explanation of how fire survivors, renters, or Lahaina elders were selected or given meaningful voting power. For a process marketed as “community-driven,” this lack of transparency is a serious misrepresentation.

### **Misleading Presentation of Recovery Funding**

The report highlights a figure of “\$3.39 billion in recovery investments” (Governor’s Message, p. 2; Introduction, p. 1–2). This number is problematic because it combines federal, state, and private funding without a clear breakdown of where the money went. The report even admits that state figures “may contain overlap” and exclude funds repurposed from existing departmental budgets (footnote, p. 2). There is no accounting of how much of this money directly reached

displaced families versus how much went to contractors, consultants, or administrative costs. Without a public audit, this statistic serves more as public relations than meaningful recovery information.

## **Tourism-Centric Focus That Ignores Survivors**

Entire sections of the report are devoted to visitor arrivals, hotel occupancy rates, and average daily room rates (Tourism Impacts, p. 12–18). While tourism is important to Maui’s economy, this level of detail has little to do with the immediate needs of fire victims. There is no equivalent level of detail on permanent housing, insurance payout delays, or tracking how many families remain displaced. The emphasis on tourism raises concerns that recovery priorities are being shaped to reassure investors and tourism operators rather than to address the urgent needs of local residents.

## **Inadequate Housing and Land Use Planning**

While the report correctly identifies the scale of housing loss, its section on housing and reconstruction (p. 19–21) is weak. Temporary housing projects such as Kapalua Village and Kilohana are listed, but no timelines are provided for permanent housing. There are no guarantees of long-term affordability or discussion of legal protections to prevent post-fire speculative land grabs. The omission of these critical issues leaves significant gaps in the recovery roadmap.

## **Failure to Hold FEMA and the State Accountable**

The ERC praises “partnerships” with FEMA (p. 20) and highlights streamlined permitting efforts, but it avoids addressing why thousands of residents remain displaced more than 16 months after the fires. The report does not analyze delays in FEMA assistance, slow insurance payouts, or the effect of Governor Green’s extended emergency proclamations on permitting and homeowners’ rights. By avoiding these topics, the report fails to address the most pressing challenges faced by survivors.

## **Overuse of Self-Congratulatory Acknowledgements**

Nearly 14 pages of acknowledgments (p. 5–18) list the names of corporate, political, and nonprofit leaders involved in the ERC process but provide no details on what they contributed or whether conflicts of interest were disclosed. This creates the appearance of inclusivity without accountability.

## **Outmigration Treated as a Side Note**

The report acknowledges that Maui has lost at least 1,000 residents and that Lahaina public school enrollment has dropped sharply (p. 7–9), yet it does not provide strategies to bring displaced families back or ensure they can afford to return. This is a glaring omission.

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# Encouragement to the Committee

As the Committee receives the ERC presentation, I strongly encourage you to press for clear answers on these critical issues:

1. **Where did the \$3.39 billion go?** How much directly reached displaced families versus contractors, consultants, or administrative costs?
2. **Who represents the fire survivors?** How were ERC members selected, and why are there no guaranteed voting seats for survivors, renters, or Lahaina elders?
3. **What is the timeline for permanent housing?** What protections are in place to keep Lahaina homes affordable and in local hands?
4. **Why is tourism prioritized over people?** Why does the report track hotel room rates in detail but not insurance payouts or permanent rehousing rates?
5. **What accountability exists for FEMA and state actions?** Why are families still in hotels 16 months later, and what is being done to speed recovery?

The people of Lahaina, Kula and all of Maui deserve full transparency, survivor-centered recovery policies, and measurable outcomes that prioritize human well-being over corporate or political interests.

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## Conclusion

The ERC report does contain some valuable economic data, but it is also a carefully framed document that emphasizes tourism recovery and public relations while avoiding hard truths about housing, funding transparency, and systemic delays. The Committee has an opportunity—and a duty—to demand better information and push for answers that put fire victims and displaced families first.

Mahalo for your time and commitment to holding all parties accountable for Maui's recovery.

Respectfully,

Edward Codelia, Maui Resident