

Beppu Asks Reappraisal

House Speaker Tadao Beppu, who asked the Legislative Auditor to prepare the report issued yesterday on the Hawaii Visitors Bureau, said a complete reappraisal of HVB operations is in order.

He was particularly critical of the report's disclosure that HVB funds are used to pay membership dues in several private clubs for Robert Allen, HVB managing director. The Pacific Club and

Outrigger Club were among these.

"The taxpayers should not be required to support membership of the managing director in clubs with exclusionary membership policies," he said. "It is ironic that some of the contributors and directors of the HVB cannot join these clubs.

"This practice is definitely outside the realm of tourist promotion and is injurious to Hawaii's image of racial tolerance."

Beppu said that to his knowledge this was the first comprehensive report on the HVB.

"There is evidence in the report of complete laxity in fiscal management," he said.

"Deficits have been building up for a long period of time — since 1958.

"There have been over-expenditures yearly, but the HVB board and its officers have not taken steps to halt their dwindling surpluses."

Beppu also mentioned the portions of the report revealing that wives sometimes accompanied HVB officers on business trips and that many of the bureau's bills were far in arrears.

"This policy is an indictment of the business community which extends credit on the assumption that the State will eventually pay the deficits and bail the HVB out of its financial difficulties," he said.

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