## A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's natural and 2 cultural resources, including reefs, beaches, oceans, forests, 3 streams, estuaries, and shorelines, provide irreplaceable and invaluable benefits to residents and visitors. These natural 4 5 and cultural resources are critical to generating billions of 6 dollars for Hawaii's economy and the local community and supporting thousands of jobs for residents. Hawaii's natural 7 8 and cultural resources are inseparable from the State's culture 9 and directly support the visitor industry and the livelihoods 10 that depend on the visitor industry.

11 The legislature further finds that despite the incredible 12 value of Hawaii's natural and cultural resources, the State 13 currently invests less than one per cent of its budget to 14 protect, restore, and manage these assets. To leave a healthy 15 natural and cultural resources legacy for future generations of 16 Hawaii residents and visitors, the State must urgently address 17 the estimated \$360,000,000 annual conservation funding gap and

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provide sustained, increased funding for Hawaii's natural and
 cultural resources and environment.

The legislature also finds that Hawaii's natural environment faces significant environmental pressures from heavy use by persons traveling from throughout the world to enjoy the State's natural beauty and natural and cultural resources. Hawaii's natural environment also faces increasing challenges as

8 a result of climate change. Continuing to underinvest in the 9 protection and care of Hawaii's natural and cultural resources 10 poses a significant liability to the State's visitor industry, 11 the stability of the natural systems, including water quality, 12 and economic resilience. Hawaii residents already contribute 13 significantly to the protection and management of the State's 14 natural and cultural resources through taxes. With escalating 15 visitor impacts, there is an immediate need for additional 16 resources to protect, restore, and manage Hawaii's natural and 17 cultural resources.

18 The legislature believes that it is reasonable and timely 19 to ask visitors to Hawaii who enjoy local natural and cultural 20 resources to further contribute to the protection, restoration, 21 and care of these resources. Visitor green fees have been

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1 successfully implemented in other visitor destinations around 2 the world, including the Galapagos Islands, New Zealand, and 3 Palau. A visitor green fee program will provide additional 4 resources to protect Hawaii's natural and cultural resources for 5 the enjoyment of future generations while supporting the 6 creation of thousands of jobs for Hawaii residents. A \$50 fee 7 paid by visitors who enjoy Hawaii's public parks, beaches, and 8 trails could generate up to \$400,000,000 each year to enable the 9 State to leave future generations with a healthy and safe 10 environment.

11 The legislature additionally finds that a visitor green fee 12 program can support economic diversification and create 13 thousands of public and private jobs in Hawaii's economy. The 14 legislature now believes it is imperative to raise additional 15 revenues to leave a positive environmental legacy for Hawaii's 16 future generations and that a visitor green fee will provide a reasonable and appropriate way to generate these needed 17 18 revenues.

19 Accordingly, the purpose of this Act is to:

20 (1) Require the department of land and natural resources
21 to establish a visitor green fee program to collect

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1 fees from visitors to the State for the provision of 2 sustained and increased funding for the protection, 3 restoration, and care of Hawaii's natural, cultural, 4 and outdoor recreational resources and build the 5 resilience of these resources against the impacts of 6 climate change and local threats; 7 (2) Establish the Hawaii environmental legacy commission 8 to rank project applications and make recommendations 9 to the board of land and natural resources regarding 10 the allocation of funds collected from the visitor 11 green fee program; and 12 (3) Establish the Hawaii environmental legacy special 13 fund. 14 SECTION 2. Chapter 171, Hawaii Revised Statutes, is 15 amended by adding a new part to be appropriately designated and 16 to read as follows: 17 "PART . VISITOR GREEN FEE PROGRAM 18 §171-A Definitions. As used in this part: 19 "Commission" means the Hawaii environmental legacy 20 commission.

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"License" means the license issued by the department that
 allows visitors to use state natural and cultural resources,
 including beaches, parks, trails, coastlines, and the
 environment.

5 "Nonprofit organization" means a private, nonprofit 6 organization with nonprofit status acknowledged by the United 7 States Internal Revenue Service that qualifies under section 8 501(c)(3) of the Internal Revenue Code, as amended, and has 9 among its charitable purposes the preservation, restoration, 10 management, or interpretation of natural or cultural resources 11 for scientific, historic, educational, recreational, scenic, 12 wildlife, or open-space purposes, the protection of the natural 13 environment or biological resources, the preservation or 14 enhancement of wildlife, or the protection or interpretation of native Hawaiian cultural resources. 15

16 "Nonresident" means an individual who is not a resident.
17 "Resident" means an individual who has:

18 (1) Filed or paid state income taxes for the immediately19 previous tax period; or

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1	(2)	Established domicile in the State, as evidenced by
2		documentation showing the individual's address,
3		including any of the following:
4		(A) A valid state driver's license;
5		(B) A valid state civil identification card;
6		(C) A valid school identification card; or
7		(D) Any other official document issued to the
8		individual by a government agency, financial
9		institution, insurance company, or utility
10		company in the State.
11	"Spe	cial fund" means the Hawaii environmental legacy
12	special f	und.
13	§171	-B Visitor green fee program. (a) There is
14	establish	ed a visitor green fee program to provide sustained and
15	increased	funding for the protection, restoration, and care of
16	Hawaii's	natural, cultural, and outdoor recreational resources
17	and build	the resilience of these resources against the impacts
18	of climat	e change and local threats. Under the program, to be
19	administe	red by the department, nonresidents shall pay the
20	visitor g	reen fee in order to obtain a license to use Hawaii's
21	public be	aches, parks, trails, coastlines, and environment.

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Visitor green fees collected shall be deposited into the Hawaii
 environmental legacy special fund established pursuant to
 section 171-D.

4 (b) Beginning July 1, 2024, it shall be unlawful for any 5 nonresident of the State who has attained the age of fifteen, 6 except for members of the armed forces of the United States of 7 America on active duty, to visit a state park, beach, state-8 owned forest, or other state-owned natural area or hike on a 9 trail on state-owned land without first obtaining a license 10 pursuant to this part.

(c) The department shall establish convenient opportunities for nonresidents to purchase a license, including through a mobile application and an internet website. The department may also establish a separate retail license program to enable retail establishments and nonprofit organizations to sell licenses.

17 (d) The initial visitor green fee shall be \$50 per person.
18 (e) The chairperson may adjust the visitor green fee by
19 rule not more than once every five years, at the rate of the
20 consumer price index change from July 1, 2024, compounded
21 annually, and rounded to the nearest dollar.

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1 A license shall be in effect for a three hundred (f) 2 sixty-five day period, including the day of issuance. 3 The department may adopt rules pursuant to chapter 91 (q) 4 as necessary to effectuate the purposes of this section. 5 §171-C Hawaii environmental legacy commission. (a) There is established within the department the Hawaii environmental 6 7 legacy commission to rank project applications and make 8 recommendations to the board of land and natural resources 9 regarding the allocation of the visitor green fee funds 10 consistent with the purposes of this part; to support 11 conservation workforce development and economic diversification; 12 and ensure stakeholder engagement, transparency, and 13 effectiveness of the program. 14 (b) The commission shall be composed of the following 15 voting members, to be appointed without need for confirmation by 16 the senate: 17 (1) One representative of a nonprofit environmental 18 organization with expertise in the protection, 19 restoration, and care of terrestrial natural and 20 cultural resources, to be appointed by the 21 chairperson;

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1	(2)	One representative of a nonprofit environmental
2		organization with expertise in the protection,
3		restoration, and care of marine and coastal natural
4		and cultural resources, to be appointed by the
5		chairperson;
6	(3)	One representative of a nonprofit environmental
7		organization with expertise in climate change
8		mitigation and resiliency, to be appointed by the
9		chairperson;
10	(4)	Not more than two members who are staff of the
11		department or its attached agencies, to be appointed
12		by the chairperson;
13	(5)	The director of the office of planning and sustainable
14		development, or the director's designee;
15	(6)	Not more than two representatives from the Native
16		Hawaiian community who have expertise in the
17		protection, restoration, care, and interpretation of
18		native Hawaiian cultural resources, to be appointed by
19		the chairperson;

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1	(7)	The president and chief executive officer of the
2		Hawaii tourism authority, or the president and chief
3		executive officer's designee;
4	(8)	One youth representative between the ages of eighteen
5		and twenty-five, inclusive, at the time of appointment
6		that works or has worked in the field of environmental
7		sustainability or restoration, to be appointed by the
8		chairperson; and
9	(9)	One representative from the visitor and tourism
10		industry, to be appointed by the president and chief
11		executive officer of the Hawaii tourism authority.
12	(c)	Commission members shall annually elect a chair and
13	vice-chai	r of the commission from among its members.
14	(d)	The commission shall make recommendations to the board
15	of land a	nd natural resources on the allocation of funding,
16	including grants, from funds deposited in the special fund.	
17	Moneys deposited into the special fund shall be allocated by the	
18	board for	direct expenditure by state agencies and for grants
19	for proje	cts that directly support the purposes of this part,
20	including	for projects with one or more of the following
21	purposes:	

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1 (1) Protection, restoration, or enhancement of terrestrial 2 or marine natural and cultural resources, or a combination thereof; provided that up to ten per cent 3 4 of each grant awarded may be allocated for resource 5 management to ensure the long-term sustainability of state natural and cultural resources; 6 7 (2) Enhancement of interpretive and educational facilities 8 and programs related to the State's natural and 9 cultural resources and the protection of those 10 resources; 11 Increase of resilience and adaptation of the State's (3) 12 natural and cultural resources with environmentally 13 beneficial strategies to reduce the adverse impacts of 14 climate change, including coastal erosion, sea level 15 rise, ocean acidification, coral bleaching, 16 destruction of reefs, and other impacts; and 17 (4) Removal and control of invasive species and 18 propagation and planting of native species. 19 In awarding grants from the special fund, the board of (e) land and natural resources shall prioritize projects that 20 21 directly support the purposes of this part and:

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1	(1)	Create jobs for Hawaii residents;
2	(2)	Provide significant long-term protection, restoration,
3		and enhancement of Hawaii's natural and cultural
4		resources;
5	(3)	Increase the enjoyability of participating in outdoor
6		recreational activities for residents and visitors of
7		the State;
8	(4)	Involve local communities in the design,
9		implementation, and long-term management of the
10		project; and
11	(5)	Protect, enhance, or restore natural and cultural
12		resources that contribute to Native Hawaiian cultural
13		practices and that have demonstrated support from
14		Native Hawaiian residents.
15	(f)	The board of land and natural resources may adopt
16	procedures	s and guidelines for the prioritization and allocation
17	of moneys	from the special fund, including direct grant or
18	competiti	ve grant processes; provided that the board shall hold
19	at least o	one hearing in each county to receive public comments
20	before add	opting grant guidelines.

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1 (q) A simple majority of board members shall establish a quorum necessary to approve allocations from the fund. 2 3 (h) The commission shall hold meetings in public consistent with chapter 92 and any other applicable laws. 4 The 5 commission may hold its meetings in person or online via the 6 Internet, or a combination thereof. 7 (i) Commission members shall serve without compensation 8 but may be reimbursed for reasonable expenses, including travel 9 expenses, necessary for the performance of their duties. 10 (j) Beginning January 2026, the department shall publish 11 an annual report, to be reviewed by the commission, no later 12 than twenty days prior to the convening of each regular session 13 of the legislature on how the Hawaii environmental legacy 14 special fund: 15 Promotes the protection, restoration, and care of (1)16 Hawaii's natural, cultural, and outdoor recreational 17 resources and builds the resilience of these resources 18 against the impacts of climate change and local 19 threats; and

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1	(2)	The benefits that accrue or will accrue from those
2		expenditures to state residents, visitors, and natural
3		and cultural resources.
4	§171	-D Hawaii environmental legacy special fund. (a)
5	There is	established in the state treasury a Hawaii
6	environme	ntal legacy special fund, into which shall be
7	deposited	l:
8	(1)	All proceeds from visitor green fees and licenses
9		purchased pursuant to the visitor green fee program
10		established under section 171-B;
11	(2)	Appropriations made by the legislature; and
12	(3)	Grants and gifts made to the special fund.
13	(b)	Moneys deposited into the special fund shall be used
14	and alloc	ated as directed by the board pursuant to section 171-
15	C(d) and	(e) and as follows:
16	(1)	At least fifty per cent per fiscal year shall be used
17		for grants to local governments, nonprofit
18		organizations, and community-based organizations;
19	(2)	Not more than fifty per cent per fiscal year shall be
20		allocated to state agencies;

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1 Up to twenty-five per cent per fiscal year may be used (3) 2 to enhance state management of natural and cultural 3 resources, implementation of state regulatory programs 4 designed to protect natural and cultural resources, 5 and enforcement of natural and cultural resource 6 protection laws and regulations; 7 (4) Not more than five per cent per fiscal year of the 8 amount allocated to state agencies pursuant to 9 paragraph (2) shall be used to administer this part; 10 and 11 Not less than ninety-five per cent per fiscal year (5) 12 shall be used for the purposes described in this 13 section." 14 SECTION 3. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute 15 16 appropriate section numbers for the letters used in designating 17 the new sections in this Act. 18 SECTION 4. This Act shall take effect upon its approval. 19

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#### Report Title:

Department of Land and Natural Resources; Visitor Green Fee Program; Hawaii Environmental Legacy Commission; Special Fund

#### Description:

Requires Department of Land and Natural Resources to establish a Visitor Green Fee Program to collect fees from nonresidents via a license to use state natural and cultural resources, to be used for the protection, restoration, and care of Hawaii's natural, cultural, and outdoor recreational resources and build the resilience of these resources against the impacts of climate change and local threats. Establishes the Hawaii environmental legacy commission to rank project applications and make recommendations to the Board of Land and Natural Resources concerning the allocation of Visitor Green Fee Program Funds. Establishes the Hawaii Environmental Legacy Special Fund. (SD1)

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