

S.B. NO. 1458

JAN 23 2025

A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL STEWARDSHIP FEES.

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

1 SECTION 1. The legislature finds that Hawaii's natural
2 resources, including reefs, oceans, forests, streams, estuaries,
3 shorelines, and beaches, provide irreplaceable and invaluable
4 benefits to visitors, residents, and the global community at
5 large. These resources, however, face unprecedented pressure
6 from climate change and the extensive use they receive from
7 millions who come to experience Hawaii's unique environment.
8 The effects of climate change and overuse are creating
9 significant risks, including wildfires, floods, coastal erosion,
10 the degradation of coral reefs, and the pollution of air and
11 water supplies. These issues threaten the lives, homes, and
12 health of residents, as well as the stability of Hawaii's
13 ecosystems and economy.

14 Article XI, section 1, and article XII, sections 4 and 7,
15 of the Hawai'i Constitution make clear that Hawaii's natural and
16 cultural resources are the essence of the public trust, and
17 therefore must be managed and protected for the benefit of

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1 present and future generations. The Hawai'i Constitution also
2 recognizes the importance of a clean and healthful environment
3 and requires the State and its agencies to protect traditional
4 and customary rights, which are dependent upon carefully managed
5 and abundant natural resources. This Act should be construed as
6 a means for fulfilling these constitutional mandates.

7 The legislature further finds that there has been chronic
8 underinvestment in the protection and management of Hawaii's
9 natural and cultural resources, limiting the ability of the
10 State to effectively mitigate and respond to the growing
11 challenges brought upon by climate change and overuse.

12 Underinvestment in Hawaii's natural resources poses a
13 significant liability to its visitor industry and the stability
14 of its natural systems, including its effects on food systems
15 and water quality, ecosystem services, fisheries, economic
16 resilience, and health and safety of the citizens of the State.

17 The legislature recognizes that Hawai'i residents have long
18 been stewards of the State's natural and cultural resources,
19 contributing through taxes, environmental care, subsistence and
20 cultural practices, and the values and practices embodied in the
21 Hawai'i Constitution. However, with the ever increasing
22 environmental pressures and visitor impacts, there is an

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1 immediate need to ensure that all who enjoy and benefit from
2 Hawaii's natural and cultural resources contribute to their
3 protection, restoration, and sustainable management. It is pono
4 or appropriate to ask visitors who enjoy and reap the benefits
5 of Hawaii's natural and cultural resources to contribute to the
6 protection, restoration, and stewardship of these resources.

7 The legislature believes that establishing a dedicated
8 program, supported by appropriate funding mechanisms, is
9 essential to protect and restore Hawaii's natural and cultural
10 heritage. By building resilience against the impacts of human
11 activity, this Act seeks to safeguard Hawaii's environment for
12 the enjoyment and well-being of all, now and in the future.

13 The purpose of this Act is to establish an environmental
14 stewardship fee program, administered by the board of land and
15 natural resources, that includes a license and assessment of a
16 fee on visitors for the usage of Hawaii's state-owned designated
17 beaches, parks, forests, trails, recreational natural areas, and
18 coastlines, to:

19 (1) Provide sustained funding for the protection,
20 restoration, regeneration, enhancement, and care of
21 Hawaii's natural and cultural resources; and

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1 (2) Build resilience of these resources to the impacts of
2 increased visitor use.

3 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
4 amended by adding a new part to be appropriately designated and
5 to read as follows:

6 "PART . ENVIRONMENTAL STEWARDSHIP FEE PROGRAM

7 §171-A Definitions. For purposes of this part:

8 "Commission" means the environmental stewardship
9 commission.

10 "License" means a license issued pursuant to this part.

11 "Licensee" means a person who is issued a license pursuant
12 to this part.

13 "Nonprofit organization" means a private, nonprofit
14 organization only if determined and designated to be a nonprofit
15 organization by the Internal Revenue Service, and has among its
16 charitable purposes the preservation, restoration, management,
17 or interpretation of natural or cultural resources for
18 scientific, historic, educational, recreational, scenic,
19 wildlife, or open-space purposes; protection of the natural
20 environment or biological resources, or both; preservation or
21 enhancement of wildlife, or both; and protection or

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1 interpretation, of Native Hawaiian cultural resources and
2 practices related thereto, or both.

3 "Program" means the environmental stewardship fee program.

4 "Resident of Hawai'i" means an individual who has:

5 (1) Filed for or paid state income taxes for the previous
6 tax year; or

7 (2) Established domicile in the State, as evidenced by
8 documentation showing the individual's address,
9 including any of the following:

10 (A) A valid Hawai'i driver's license;

11 (B) A valid Hawai'i state identification card;

12 (C) A valid Hawai'i school identification card; or

13 (D) Any other official document issued to the
14 individual within the last thirty days by a
15 government agency, financial institution,
16 insurance company, or utility company in the
17 State.

18 "Special fund" means the environmental stewardship fee
19 special fund established pursuant to section 171-G.

20 "Visitor" means a person in Hawai'i who is not a resident of
21 Hawai'i.

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§171-B Environmental stewardship fee program;

(a) There is established within the department the environmental stewardship fee program, to be administered by the board, to collect a fee from visitors through an environmental license and allocate that revenue to protect, restore, and manage state-owned designated beaches, parks, forests, trails, recreational natural areas, and coastlines impacted by visitors.

(b) Beginning on a date established by the board by rule, each visitor fifteen or more years of age shall first pay an environmental stewardship fee and obtain a license pursuant to this part before visiting any state-owned designated beach, park, forest, trail, recreational natural area, and coastline, which the board has identified as having been impacted by visitor use and requires beneficial management through use of a stewardship fee.

(c) Wherever practicable, the department shall place signs at state-owned designated beaches, parks, forests, trails, recreational natural areas, and coastlines that inform visitors of the requirement to pay an environmental stewardship fee and obtain a license pursuant to this section.

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1 **§171-C License; purchase.** (a) The board shall establish
2 convenient opportunities, including through a mobile application
3 or internet website, for visitors to pay an environmental
4 stewardship fee. A visitor shall be issued a license by the
5 department; provided that the visitor meets the requirements
6 pursuant to this part for obtaining a license.

7 (b) The board may authorize retail establishments and
8 nonprofit organizations to accept payment of an environmental
9 stewardship fee and issue a license.

10 (c) The amount of the environmental stewardship fee shall
11 be \$50.

12 (d) The board may adjust the fee no more than once every
13 five years if the board finds that the current fee is
14 insufficient to offset visitor impacts to Hawaii's natural and
15 cultural resources.

16 (e) Each license shall be effective for one year from the
17 date of purchase, including the date of issuance.

18 (f) The board may establish a credit for visitors who pay
19 site-based fees during the effective term of license issued.

20 **§171-D Penalties.** (a) Any visitor who enters a state-
21 owned park, beach, forest, trail, or other state-owned
22 recreational natural area, designated pursuant to section 171-

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1 B(b) as an area requiring a license, without first paying an
2 environmental stewardship fee and obtaining a license in
3 violation of section 171-B(b) shall be liable for a civil fine
4 not to exceed \$. Penalties may not be assessed before
5 July 1, 2030, in the interest of effective implementation,
6 public education, and enforcement.

7 (b) Any civil fine provided under this section may be
8 imposed by the board after an opportunity for a hearing held
9 under chapter 91.

10 (c) The imposition of penalties under this section shall
11 not constitute a waiver of the State's right to seek any other
12 remedies available by law.

13 **§171-E Environmental stewardship commission;**
14 **establishment; powers; duties; members.** (a) There is
15 established within the department the environmental stewardship
16 commission. The commission shall:

17 (1) Recommend to the board the disbursement of revenues
18 collected pursuant to this part; and

19 (2) Monitor the program and advise the department and the
20 board on all matters involving fees under the program.

21 (b) The commission shall comprise:

22 (1) The following ex officio members:

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(A) The chairperson of the board or the chairperson's designee, who shall serve as the chairperson of the commission;

(B) The director of the office of planning and sustainable development or the director's designee;

(C) The chief executive officer of the Hawaii tourism authority or the chief executive officer's designee;

(D) The chairperson of the youth commission or the chairperson's designee; and

(2) The following members, who shall be recommended by the board and appointed by the governor as provided in section 26-34:

(A) One member of a nonprofit environmental organization having expertise on the protection, restoration, and care of terrestrial natural resources;

(B) One member of a nonprofit environmental organization having expertise on the protection, restoration, and care of marine and coastal natural resources;

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(C) One member of a nonprofit environmental organization having expertise on climate change mitigation, adaptation, and resiliency;

(D) Two persons who have expertise in the protection, restoration, care, and interpretation of Native Hawaiian cultural resources; and

(F) One representative from a locally owned and operated business in the private sector whose primary mission is to develop and implement solutions that directly address environmental challenges within the State.

(c) A simple majority of the members shall establish a quorum.

(d) The members shall serve without compensation but shall be reimbursed for expenses necessary for the performance of their duties.

§171-F Environmental stewardship fee special fund; established. (a) There is established within the state treasury the environmental stewardship fee special fund, to be administered by the board.

(b) The following moneys shall be deposited into the special fund:

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(1) All revenue from licenses issued pursuant to section 171-B;

(2) All fines collected pursuant to section 171-D;

(3) Appropriations made by the legislature;

(4) Earnings on moneys in the special fund.

(5) Private donations, gifts, contributions, or grants from individuals, foundations, corporations, or other private or public entities.

(c) Moneys in the special fund shall be used for the following purposes:

(1) The operations of the program, including hiring employees, specialists, and consultants to support program projects; and

(2) The administration of the program pursuant to section 171-B.

(d) With the permission of the governor, the board may transfer moneys from the special fund to other state departments and agencies under the executive branch to carry out the purposes of the program.

§171-G Environmental stewardship fee special fund;

purpose; priorities. (a) The special fund shall be

administered by the board as follows:

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1 (1) With transparency and accountability; and

2 (2) In a manner that maximizes the effectiveness of the
3 program.

4 (b) The board shall allocate moneys in the special fund to
5 be expended directly by state agencies for projects that are
6 intended to offset adverse environmental impacts caused by
7 licensees and ensure that the State's natural resources are
8 maintained for continued use by licensees, such as projects that
9 directly restore, enhance, and protect natural resources and the
10 State's unique and fragile ecological status, including projects
11 that:

12 (1) Protect, restore, or enhance terrestrial and marine
13 natural resources impacted by licensees;

14 (2) Increase the resilience and adaptation of terrestrial
15 and marine natural resources with environmentally
16 beneficial strategies to reduce, mitigate, or prevent
17 impacts by licensees; or

18 (3) Remove and control invasive species and propagate and
19 plant native species in state-owned recreational areas
20 utilized by licensees.

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1 (c) The board may allocate moneys in the special fund to
2 be expended directly by the department for administration of the
3 program including the:

4 (1) Establishment of the commission pursuant to section
5 171-E; and

6 (2) Creation and implementation of an environmental
7 stewardship fee strategic plan.

8 (d) The board shall allocate grants to nonprofit
9 organizations, by providing moneys not exceeding fifty per cent
10 of annual fee revenues pursuant to this section. In awarding
11 grants, the board shall only approve projects that meet the
12 criteria articulated in this section.

13 In approving projects, the board may prioritize projects
14 that:

15 (1) Implement nature-based solutions to resource issues
16 exacerbated by licensees;

17 (2) Provide significant protection, restoration, and
18 enhancement of Hawaii's natural resources in areas
19 impacted by licensees; or

20 (3) Increase the resilience of state-owned natural
21 resources impacted by licensees.

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1 (e) The board may allocate moneys to provide grants to
2 local governments for projects approved by the board that offset
3 the impact to natural and cultural resources caused by the
4 licensees.

5 In approving projects, the board may prioritize projects
6 that:

7 (1) Implement nature-based solutions to environmental
8 issues exacerbated by licensees;

9 (2) Provide significant protection, restoration, and
10 enhancement of Hawaii's natural resources in areas
11 impacted by licensees; or

12 (3) Increase the resilience of state-owned natural
13 resources impacted by licensees.

14 (f) The board may allocate moneys to provide cost-matching
15 funding for federal grants for projects approved by the board
16 that offset the impact to natural and cultural resources caused
17 by the licensees. In approving projects, the board may
18 prioritize projects that:

19 (1) Implement nature-based solutions to environmental and
20 climate issues exacerbated by licensees;

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(2) Provide significant protection, restoration, and enhancement of Hawaii's natural resources in areas impacted by licensees; or

(3) Increase the resilience of state-owned natural resources impacted by licensees.

§171-H Grants; qualifications and conditions. (a) For purposes of grants awarded pursuant to section 171-G, any organization requesting a grant shall:

(1) Be licensed and accredited, as applicable, under the laws of the State;

(2) Have been determined and designated to be a section 501(c)(3) nonprofit organization by the Internal Revenue Service;

(3) Have at least one year's experience with the project or in the program area for which the request or proposal is being made; and

(4) Employ or have under contract persons who are qualified to engage in the program or activity to be funded by the State.

(b) Recipients of grants shall be subject to the following conditions:

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- (1) Any organization requesting a grant shall submit its request together with the information required by the board on an application form provided by the department;
- (2) The recipient of a grant shall not use public funds for purposes of entertainment or perquisites;
- (3) The recipient of a grant shall comply with applicable federal, state, and county laws;
- (4) The recipient of a grant shall comply with any other requirements the board may prescribe;
- (5) The recipient of a grant shall allow the department, legislature, and the legislative auditor full access to records, reports, files, and other related documents so that the program, management, and fiscal practices of the grant recipient may be monitored and evaluated to assure the proper and effective expenditure of public funds;
- (6) Every grant shall be monitored pursuant to rules or policies established by the board to ensure compliance with this part; and
- (7) Any recipient of a grant under this section who withholds or omits any material fact or deliberately

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1 misrepresents facts to the board or who violates the
2 terms of the recipient's contract shall be in
3 violation of this section and, in addition to any
4 other penalties provided by law, shall be prohibited
5 from applying for a grant under this section for a
6 period of five years from the date of termination.

7 (c) The department shall assist grant recipients with
8 obtaining necessary permits or licenses for access to any state-
9 owned lands or natural resources necessary to effectuate the
10 purposes of the project for which the grant is awarded.

11 **§171-I Report to legislature.** (a) No later than twenty
12 days prior to the convening of the regular session of 2026 and
13 each year thereafter, the board shall submit a report to the
14 legislature.

15 (b) The report shall contain information on:

16 (1) Ways that the special fund restored, enhanced, and
17 protected Hawaii's state-owned natural resources and
18 its unique and vulnerable ecosystem as impacted by
19 visitors during the previous fiscal year; and

20 (2) The benefits that accrue or will accrue from those
21 expenditures to the benefit of the State's natural
22 resources.

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1 §171-J Rules. The board may adopt rules pursuant to
2 chapter 91 necessary for the purposes of this part."

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawai'i the sum of \$3,000,000 or so much
5 thereof as may be necessary for fiscal year 2025-2026 for
6 deposit into the environmental stewardship fee special fund.

7 SECTION 4. There is appropriated out of the environmental
8 stewardship fee special fund the sum of \$3,000,000 or so much
9 thereof as may be necessary for fiscal year 2025-2026 for the
10 establishment of the environmental stewardship commission under
11 this Act and an environmental stewardship fee strategic plan,
12 including a timetable that indicates how the established
13 objectives and policies will be pursued and implemented pursuant
14 to this Act.

15 The sum appropriated shall be expended by the department of
16 land and natural resources for the purposes of this Act.

17 SECTION 5. There is appropriated out of the general
18 revenues of the State of Hawai'i the sum of \$250,000 or so much
19 thereof as may be necessary for fiscal year 2025-2026 and the
20 same sum or so much thereof as may be necessary for fiscal year
21 2026-2027 for the establishment of the following positions:

22 Position	Twelve-Month Salary
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1 1.00 FTE stewardship fee coordinator, (SRNA) \$90,000
2 1.00 FTE office assistant IV (SR10), \$70,000
3 1.00 FTE accountant IV (SR22); \$90,000

4 to support the establishment of the environmental stewardship
5 fee and the environmental stewardship commission.

6 The sums appropriated shall be expended by the department
7 of land and natural resources for the purposes of this Act.

8 SECTION 6. The appropriation authorized under this Act for
9 fiscal year 2025-2026 shall not lapse at the end of the fiscal
10 year for which the appropriation is made; provided that any
11 unexpended and unencumbered balance of the appropriation made in
12 this Act as of the close of June 30, 2027, shall lapse as of
13 that date.

14 SECTION 7. In codifying the new sections added by section
15 2 of this Act, the revisor of statutes shall substitute
16 appropriate section numbers for the letters used in designating
17 and referring to the new sections in this Act.

18 SECTION 8. This Act does not affect rights and duties that
19 matured, penalties that were incurred, and proceedings that were
20 begun before its effective date.


21 SECTION 9. Every provision in this Act and every
22 application of each provision in this Act is severable from each

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1 other. If any application of any provision in this Act to any
2 person or group of persons or circumstances is determined by any
3 court to be invalid, the remainder of this Act and the
4 application of the Act's provisions to all other persons and
5 circumstances shall not be affected. All constitutionally valid
6 applications of this Act shall be severed from any applications
7 that a court determines to be invalid or unenforceable, leaving
8 the valid applications in force, because it is the legislature's
9 intent that all valid applications shall remain in force.

10 SECTION 10. This Act shall take effect upon its approval;
11 provided that sections 3, 4, and 5 shall take effect on July 1,
12 2025.

13
14 INTRODUCED BY:



15 BY REQUEST

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Report Title:

BLNR; DLNR; Environmental Stewardship Fee Program; Environmental Stewardship Fee Special Fund; Environmental Stewardship Commission; Appropriation

Description:

Establishes within the Department of Land and Natural Resources the environmental stewardship fee program to collect a fee from visitors through an environmental stewardship license and allocate the revenue to protect, restore, and manage natural and cultural resources through grants to nonprofit organizations. Establishes the environmental stewardship fee special fund. Establishes the Environmental Stewardship Commission to make recommendations to the Board of Land and Natural Resources regarding the use of revenues in the special fund. Requires the Department of Land and Natural Resources to conduct rulemaking. Requires a report to the legislature, including an environmental stewardship fee strategic plan. Creates civil or administrative penalties to be imposed after July 1, 2030. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

SB. NO. 1458

DEPARTMENT: LAND AND NATURAL RESOURCES

TITLE: A BILL FOR AN ACT RELATING TO ENVIRONMENTAL STEWARDSHIP FEES.

PURPOSE: To establish an environmental stewardship fee program, administered by the Board of Land and Natural Resources, that includes a license and assessment of a fee on visitors for the usage of Hawaii's State-owned designated public beaches, parks, trails, and coastlines to provide sustained funding for the protection, restoration, regeneration, enhancement, and care of Hawaii's natural and cultural resources; and build resilience of these resources to the impacts of increased visitor use.

MEANS: Add a new part to chapter 171, Hawaii Revised Statutes.

JUSTIFICATION: Hawaii's natural and cultural resources are the essence of the public trust, and therefore must be managed and protected for the benefit of present and future generations. Hawai'i residents have long been stewards of the State's natural and cultural resources, contributing through taxes, environmental care, subsistence and cultural practices, and the values and practices embodied in the Hawai'i Constitution. However, with the ever-increasing environmental pressures and visitor impacts, there is an immediate need to ensure that all who enjoy and benefit from Hawaii's natural and cultural resources contribute to their protection, restoration, and sustainable management.

Establishing a dedicated program, supported by appropriate funding mechanisms, is essential to protect and restore Hawaii's natural and cultural heritage. By building resilience against the impacts of human activity, this bill seeks to safeguard

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Hawaii's environment for the enjoyment and well-being of all, now and in the future.

This bill will establish the environmental stewardship fee program, the environmental stewardship fee special fund, and the Environmental Stewardship Commission and require a report to the Legislature, including an environmental stewardship fee strategic plan; create civil fines to be imposed by the Board of Land and Natural Resources; and appropriate funds into and out of the environmental stewardship fee special fund.

Impact on the public: A dedicated source of funding will ensure that the funds will be used for its intended purpose to protect, restore, and sustainably manage Hawaii's natural and cultural resources, particularly those impacted by overuse and climate change.

Impact on the department and other agencies:
None.

GENERAL FUND: \$3,250,000 in fiscal year 2025-2026;
\$250,000 in fiscal year 2026-2027.

OTHER FUNDS: \$3,000,000.

PPBS PROGRAM
DESIGNATION: LNR 101.

OTHER AFFECTED
AGENCIES: Department of Budget and Finance (general fund administration) and other agencies that seek general fund appropriations.

EFFECTIVE DATE: Upon approval; provided that sections 3, 4, and 5 shall take effect on July 1, 2025.