

JAN 27 2021

A BILL FOR AN ACT

RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND
RESOURCES ENFORCEMENT.

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

1 SECTION 1. The coronavirus (COVID-19) has had a
2 catastrophic impact on the world economy. The net result
3 being general fund support for programs will be dramatically
4 reduced due to the economic fallout of the COVID-19 pandemic.

5 An alarmingly small amount of money is invested each year
6 to protect our natural capital base, despite the value of
7 Hawaii's natural resources to its economy, culture, and quality
8 of life. Furthermore, the preservation and protection of the
9 State's natural, cultural, and historic resources is of central
10 importance to the current and future residents of the State and
11 its economy. Article XI, section 1, of the Constitution of the
12 State of Hawaii sets forth the State's duty to conserve and
13 protect Hawaii's natural beauty and natural resources. While
14 tourism is the primary economic driver for the State, it is
15 Hawaii's natural beauty and resources that attract visitors.
16 Further, adequate funding is needed to enforce the laws that

S.B. NO. 1179

1 protect Hawaii's natural resources for without them, the economy
2 will fail.

3 The legislature, in Act 156, Session Laws of Hawaii 2005,
4 determined that the conveyance tax is an appropriate means to
5 fund the conservation of natural resources by dedicating a
6 portion of the current assessment to the natural area
7 partnership program and forest stewardship program that assist
8 private landowners in managing important natural resources.

9 Additionally, there is a clear nexus between the source of
10 the conveyance tax and providing funding for watershed
11 protection and other natural resource preservation programs.

12 The development, sale, and improvement of real estate in Hawaii
13 adds additional pressure on natural areas, coastal access,
14 agricultural production, and Hawaii's water resources and
15 watershed recharge areas.

16 The purpose of this Act is to allocate a portion of the
17 conveyance tax to the division of conservation and resources
18 enforcement of the department of land and natural resources to
19 partially cover operational costs related to upholding the laws
20 that serve to protect, conserve, and manage Hawaii's unique and
21 limited natural, cultural, and historic resources.

S.B. NO. 1179

1 SECTION 2. Section 199-1.5, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) The conservation and resources enforcement special
4 fund shall be used for expenditures, including but not limited
5 to:

- 6 (1) Training;
- 7 (2) Research;
- 8 (3) Equipment;
- 9 (4) Preparation and dissemination of information to the
10 public;
- 11 (5) Data collection and development;
- 12 (6) Information technology;
- 13 (7) Safety;
- 14 (8) Wireless communication;
- 15 (9) Management;
- 16 (10) Travel;
- 17 (11) Equipment rental;
- 18 (12) Repairs;
- 19 (13) Planning;
- 20 (14) Information;
- 21 (15) Education;
- 22 (16) Operations;

S.B. NO. 1179

- 1 (17) Maintenance functions authorized and deemed necessary
2 by the department;
- 3 (18) Funding for consultants or contractual hires related
4 to the enforcement of:
- 5 (A) Title 12;
- 6 (B) Chapters 6D, 6E, and 6K; or
- 7 (C) Any rule adopted thereunder; [~~and~~]
- 8 (19) Work performed in cooperation with enforcement
9 authorities of the State, the counties, and the
10 federal government[~~-~~]; and
- 11 (20) Permanent and temporary staff positions for the
12 purposes of this chapter."

13 SECTION 3. Section 247-7, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§247-7 Disposition of taxes.** All taxes collected under
16 this chapter shall be paid into the state treasury to the credit
17 of the general fund of the State, to be used and expended for
18 the purposes for which the general fund was created and exists
19 by law; provided that of the taxes collected each fiscal year:

- 20 (1) Ten per cent or \$5,100,000, whichever is less, shall
21 be paid into the land conservation fund established
22 pursuant to section 173A-5; [~~and~~]

S.B. NO. 1179

1 (2) Fifty per cent or \$38,000,000, whichever is less,
2 shall be paid into the rental housing revolving fund
3 established by section 201H-202[-]; and

4 (3) Two per cent or \$1,360,000, whichever is less, shall
5 be paid into the conservation and resources
6 enforcement special fund established pursuant to
7 section 199-1.5."

8 SECTION 4. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 5. This Act, upon its approval, shall take effect
11 on July 1, 2021.

12

13

INTRODUCED BY:



14

BY REQUEST

S.B. NO. 1179

Report Title:

Division of Conservation and Resources Enforcement; Conveyance Tax

Description:

Allocates a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

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

SB. NO. 1179

JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: A BILL FOR AN ACT RELATING TO FUNDING FOR THE DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT.

PURPOSE: To allocate a portion of the Conveyance Tax to the Division of Conservation and Resources Enforcement (DOCARE) of the Department to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

MEANS: Amend sections 199-1.5(c) and 247-7, Hawaii Revised Statutes.

JUSTIFICATION: The preservation and protection of the State's natural, cultural, and historic resources is of central importance to the current and future residents of the State and its economy. Many of Hawaii's visitors come to enjoy the natural beauty of the State, that has resulted in a thriving tourism economy.

The coronavirus (COVID-19) however, has had a catastrophic impact on the world economy. The net result being general fund support for programs will be dramatically reduced due to the economic fallout of the COVID-19 pandemic.

Article XI, section 1, of Hawaii's Constitution sets forth a duty to conserve and protect the State's natural beauty and resources. DOCARE, which is tasked with carrying out and enforcing the laws that further this goal, is already short staffed and underfunded and will continue to struggle to effectively carry out its mission unless additional funding sources are found.

SB. NO. 1179

The Legislature, in Act 156, Session Laws of Hawaii 2005, determined that the Conveyance Tax is an appropriate means to fund the conservation of natural resources by dedicating a portion of the current assessment to the natural area partnership program and forest stewardship program that assist private landowners in managing important natural resources. The Legislature has also determined that there is a clear nexus between the source of the conveyance tax and providing funding for watershed protection and other natural resource preservation programs. The development, sale, and improvement of real estate in Hawaii adds additional pressure on natural areas, coastal access, agricultural production, and Hawaii's water resources and watershed recharge areas.

This bill would provide supplemental funding to DOCARE to partially cover operational costs related to upholding the laws that serve to protect, conserve, and manage Hawaii's unique and limited natural, cultural, and historic resources.

Impact on the public: The public will benefit from the passage of this bill because there will be better, more consistent, and voluminous, enforcement of the laws that protect our natural resources with more officers and staff employed. An increased officer presence will also serve as a deterrent to would-be violators.

Impact on the department and other agencies: Would provide additional funds to DOCARE to help offset funds that were taken away due to the COVID-19 pandemic.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION:

LNR 405.

OTHER AFFECTED
AGENCIES:

Department of Taxation.

EFFECTIVE DATE:

July 1, 2021.