

JAN 22 2021

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# A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL PROTECTION.

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

1           SECTION 1. The legislature finds that each year, Hawaii's  
2 reefs, oceans, beaches, and forests provide billions of dollars  
3 in value to the economy, supporting the wellbeing of our  
4 resident community and visitors alike. These ecosystems are  
5 vital to the State's visitor industry and the resident  
6 community's cultural identity.

7           The legislature also finds that even though these natural  
8 resources are critical for the visitor industry and resident  
9 communities, the State invests less than one per cent of its  
10 state budget into those assets. The State's total conservation  
11 funding gap has been estimated as high as \$360,000,000 annually,  
12 constituting a major unfunded liability that poses a significant  
13 risk to our business climate and our economic resiliency. In  
14 comparison to other jurisdictions, such as Ecuador (for its  
15 Galapagos National Park), New Zealand, and Australia (for its  
16 Great Barrier Reef Marine Park), that invest between \$137 to



1 \$373 per tourist in their natural capital, Hawaii only invests  
2 \$9 per tourist.

3 The legislature further finds that our State's vital  
4 ecosystems and the resources they harbor continue to decline,  
5 due to the lack of adequate investment in proven and effective  
6 conservation approaches and rising pressures of climate change.  
7 Data demonstrates growing concern that tourism's positive  
8 contribution to the economy may not outweigh the impact that  
9 visitors have on the environment. In 2019, ten million visitors  
10 enjoyed the benefits of Hawaii's ecosystems and natural  
11 environment. The increased demand on our natural resources  
12 requires the creation of innovative conservation financing  
13 mechanisms focused on reversing the decline in our ecosystems  
14 and the associated risks for our visitor industry and resident  
15 community.

16 The legislature recognizes that the COVID-19 pandemic  
17 provides the State with an opportunity to build back the tourism  
18 sector more sustainably. A visitor green fee could provide  
19 sustainable and comprehensive funding for green job growth  
20 beyond initial federal stimulus relief. As the frequency of  
21 natural disasters and exogenous shocks increase, the legislature



1 finds that diversification and green job growth is invaluable to  
2 Hawaii's economic stability, ability to withstand shocks, and  
3 reverse brain drain.

4 The legislature also finds that innovative financing  
5 mechanisms, such as green fees, are trending around the globe as  
6 triple bottom-line solutions to better manage visitor impacts on  
7 ecosystems and natural resources. Green fees vary from \$1 per  
8 night to a \$100 set entrance fee and may be referred to as eco-  
9 taxes; tourist taxes; green taxes; and environmental,  
10 conservation, and tourism levies. In general, green fees  
11 require mandatory payments made by visitors to government or  
12 public-private entities for the explicit purpose of supporting  
13 conservation and natural resource management. Green fees are  
14 typically bundled with a robust conservation fund and associated  
15 management system, along with visitor education and engagement  
16 strategies, as part of a jurisdiction's conservation strategy.

17 The legislature finds that these green fees will provide  
18 various economic benefits to the State. With 2021 arrivals  
19 forecasted to be approximately five million visitors, a \$40 per  
20 visitor green fee could generate approximately \$200,000,000 in  
21 conservation workforce revenue, which is estimated to be enough



1 to fund as much as two thousand four hundred public and private  
2 conservation jobs of diverse skill sets and abilities. Other  
3 jurisdictions have found that green stimulus yields a higher  
4 economic multiplier effect. Similarly, studies show impressive  
5 returns on conservation investment; for example, The Nature  
6 Conservancy's efforts at the Waikamoi Preserve will generate a  
7 forty-six per cent return on investment over the one-hundred-  
8 year planning period, with a net present value of \$19,100,000.

9 The legislature further finds that green fees will provide  
10 environmental benefits through the funded conservation efforts,  
11 including the prevention of four thousand three hundred tons per  
12 year of sediment from washing into the ocean and the recharge of  
13 32.5 billion gallons over the next one hundred years. In  
14 addition to watershed conservation, other environmental benefits  
15 could include fire road installation, dune restoration,  
16 integrated marine monitoring, coral reef restoration, and  
17 recreation and trail maintenance.

18 The legislature notes that these environmental benefits  
19 advance the natural resource management targets established as  
20 part of the Aloha+ Challenge, which is the government, business,  
21 and community partnership committing to community-based goals



1 across six priority areas: clean energy transportation; local  
2 agriculture; natural resource management; solid waste reduction;  
3 green workforce and education; and smart sustainable  
4 communities. The goals set under the Aloha+ Challenge and other  
5 environmental initiatives, such as the Hawaii climate change  
6 mitigation and adaptation initiative, enacted as chapter 225P,  
7 Hawaii Revised Statutes, will be advanced by the implementation  
8 of a pilot visitor green fee program that will fund a  
9 conservation workforce and under the guidance of an advisory  
10 committee to ensure fair implementation.

11 The purpose of this Act is:

- 12 (1) To establish the conservation workforce special fund  
13 with the explicit commitment of funding a conservation  
14 workforce and advancing the Aloha+ Challenge Natural  
15 Resource Management Targets;
- 16 (2) To form a public-private advisory committee focused on  
17 designing the management and governance structure and  
18 funding criteria that safeguards the special fund's  
19 fidelity towards conservation; and
- 20 (3) To establish a ten-year pilot visitor green fee to go  
21 into effect July 1, 2021.



1 SECTION 2. Chapter 171, Hawaii Revised Statutes, is  
2 amended by adding two new sections to part I to be appropriately  
3 designated and to read as follows:

4 "§171-A Conservation workforce special fund. (a) There  
5 is established in the state treasury the conservation workforce  
6 special fund into which shall be deposited:

7 (1) All revenues under section 237D- ;

8 (2) Appropriations made by the legislature to the special  
9 fund; and

10 (3) Grants and gifts made to the special fund.

11 (b) Funds in the special may be expended by the department  
12 for workforce programs and services with the explicit aim of  
13 meeting the goals of the Aloha+ Challenge natural resource  
14 management targets and the International Union for Conservation  
15 of Nature's 30by30 goals of:

16 (1) Increasing freshwater capacity by one hundred million  
17 gallons per day in comparison to the January 1, 2016,  
18 baseline;

19 (2) Having thirty per cent of Hawaii's marine waters under  
20 active management by 2030;



1       (3) Implementing the biosecurity plan to address priority  
2       invasive species by 2030; and

3       (4) Increasing the percentage of threatened and endangered  
4       native species managed in Hawaii by 2030.

5 Funds may also support the maintenance or restoration of  
6 beaches, parks, and trails.

7       §171-B Conservation advisory committee. (a) The  
8 department and the office of planning, in consultation with the  
9 department of budget and finance and Hawaii tourism authority,  
10 shall convene an advisory committee within the department. The  
11 advisory committee shall consist of three or more odd number  
12 members who shall comprise conservationists, tourism industry  
13 leaders, and youth advisors. The department shall have the  
14 authority to appoint members to the advisory committee and to  
15 fill any vacancies. The members shall serve on a volunteer  
16 basis.

17       (b) The advisory committee shall develop a funding  
18 criteria and transparency and governance framework to ensure  
19 that management of the conservation workforce special fund  
20 established pursuant to section 171-A safeguards the fidelity of



1 the special fund towards natural resource management and  
2 conservation job growth."

3 SECTION 3. Chapter 237D, Hawaii Revised Statutes, is  
4 amended by adding a new section to be appropriately designated  
5 and to read as follows:

6 "§237D- Green fee surcharge. (a) In addition to the  
7 taxes imposed pursuant to section 237D-2, there is levied and  
8 shall be assessed and collected a green fee surcharge of \$40 for  
9 each guest of a transient accommodation beginning on July 1,  
10 2021, and thereafter; provided that a transient accommodations  
11 broker, travel agency, and tour packager who arranges transient  
12 accommodations at noncommissioned negotiated contract rates and  
13 every operator shall not pay the surcharge on the same guest  
14 more than once in any three hundred and sixty-five day period  
15 and, in such cases, shall not charge the guest for the amount of  
16 the surcharge.

17 (b) Notwithstanding sections 237-2(e) and 237D-6.5, the  
18 revenues collected pursuant to this section shall be deposited  
19 quarterly into the conservation workforce special fund  
20 established pursuant to section 171-A."

21 SECTION 4. New statutory material is underscored.

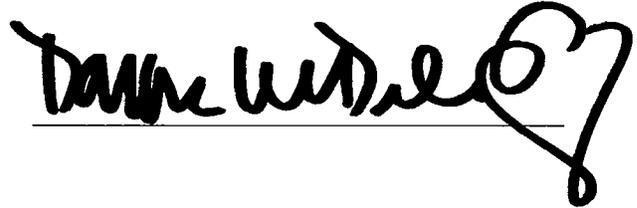


# S.B. NO. 666

1 SECTION 5. This Act shall take effect on July 1, 2021;  
2 provided that this Act shall be repealed on June 30, 2031.

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INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Dan Winters", written over a horizontal line. The signature is stylized and cursive.

# S.B. NO. 666

**Report Title:**

Environmental Protection; Green Fees; Conservation; Workforce;  
Services; Transient Accommodations

**Description:**

Establishes a green fee surcharge on transient accommodations for the purposes of funding workforce and services that promote certain environmental goals. Repeals on June 30, 2031.

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

