
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 well-being 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 coronavirus disease
17 2019 pandemic provides the State with an opportunity to build
18 back the tourism sector more sustainably. A visitor green fee
19 could provide sustainable and comprehensive funding for green
20 job growth beyond initial federal stimulus relief. As the
21 frequency of natural disasters and exogenous shocks increase,



1 the legislature finds that diversification and green job growth
2 is invaluable to Hawaii's economic stability, ability to
3 withstand shocks, and 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 \$20 per
20 visitor green fee could generate approximately \$100,000,000 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 of
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 \$20 for
9 each guest, either a visitor or resident, of a transient
10 accommodation beginning on July 1, 2021, and thereafter;
11 provided that the total visitor population during the preceding
12 calendar year totals five million visitors or more based on
13 statistics provided by Hawaii tourism authority. A green fee
14 surcharge of \$20 shall not be assessed and collected to each
15 guest if the total visitor population to the State during the
16 preceding calendar year drops below five million visitors.

17 (b) Notwithstanding sections 237D-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.



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2 provided that this Act shall be repealed on June 30, 2031.



Report Title:

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

Description:

Establishes a green fee surcharge of \$20 on transient accommodations for the purposes of funding workforce and services that promote certain environmental goals based on the total number of visitors to the State. Repeals on June 30, 2031. (SD1)

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