

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

> SCOTT J. GLENN DIRECTOR

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Statement of SCOTT GLENN, Director

before the HOUSE COMMITTEE ON WATER AND LAND

Wednesday, March 22, 2023, 9:30AM State Capitol, Conference Room 430

in consideration of SB 304, SD 2, HD 1 RELATING TO VISITOR IMPACT FEES.

Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee:

The Office of Planning and Sustainable Development (OPSD) **supports** SB 304, SD2, HD 1 which establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources, through which the department will collect a fee for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes, and appropriates moneys into and out of, the Visitor Impact Fee Special Fund.

The OPSD has partnered with the Hawai'i Tourism Authority and the Department of Land and Natural Resources on destination management and sustainable tourism policies. The OPSD supports site-specific user fees as the preferred model and supports the reinvestment of those collections into improving the experience for kama'āina and visitors alike at public parks and trails.

This legislation is in alignment with the recommendations of the State of Hawai'i's decennial climate and sustainability strategic action plan—the <u>Hawai'i 2050 Sustainability Plan:</u> <u>Charting a Course for the Decade of Action (2020-2030)</u>. Specifically, reducing the environmental footprint of the tourism industry is a major strategy to promote a sustainable economic recovery for the State of Hawai'i.

- 1. "Launch a collaborative tourism-based environmentally-sustainability program with natural resource partners to mitigate visitor impacts and support responsible tourism initiatives." (Recommended Action #57, Page 99)
- 2. "Enable Hawai'i tourism to contribute to the regeneration of Hawai'i's natural beauty, resources, and unique culture." (Recommended Action #62, Page 99)

Mahalo for the opportunity to provide these comments.



EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

House Committee on Water and Land Wednesday, March 22, 2023 9:30 a.m. State Capitol, Conference Room 430 and Videoconference

In Support S.B. No. 304, S.D. 2, H.D. 1, Relating to Visitor Impact Fees

Chair Ichiyama, Vice Chair Poepoe, and members of the House Committee on Water and Land:

The Office of the Governor supports S.B. No. 304, S.D. 2, H.D. 1, Relating to Visitor Impact Fees. Hawaii's oceans, reefs, streams, waterfalls, forests, other natural resources, and ecosystems are part of Hawaii's natural and cultural heritage and precious resources to an estimated 1,400,000 Hawaii residents. These natural resources are also primary attractions to the State's 9,720,000 visitors estimated to come to Hawaii in 2023, according to the forecast of the Department of Business, Economic Development, and Tourism. The number of visitor arrivals to our State is forecasted to grow to 10,330,000 in 2025.

The economic benefits of visitor travel to our State are significant. Tourism provides jobs, enhances economic growth and development, and generates revenue; however, there is greater policy focus on recognizing *all* impacts of tourism on our State, particularly the effects of tourism on our natural resources and natural environment. The impacts on Hawaii's natural resources, consequences of both residents and visitors, is an overarching concern and one of the priorities of this Administration.

This is one of several measures that recognizes that human-induced impacts on our environment, including increased pollution, stress on our natural resources, soil degradation, and natural habitat loss, are cause for concern and immediate action. Hawaii's natural resources are invaluable to all who live here and primary attractions for those who visit our State.

It is well recognized that Hawaii residents already contribute to the protection and management of the State's natural resources through taxes, environmental care, subsistence and cultural practices, and the values and practices embodied in the Hawaii State Constitution. However, the State has not yet dedicated enough financial resources to address the impacts by visitors. This measure establishes a visitor impact fee program within the Department of Testimony of Office of the Governor S.B. No. 304, S.D. 2, H.D. 1 March 22, 2023 Page 2

Land and Natural Resources (DLNR) in which DLNR will collect a fee from visitors through a license to visit a state park, beach, forest, hiking trail, or other state natural area. The allocation of revenues collected from the fees will be used to protect, restore, and manage natural and cultural resources impacted by visitors.

The Office of the Governor appreciates the Committee's consideration of S.B. No. 304, S.D. 2, H.D. 1 and other measures that seek to ensure that the impacts of visitor use on state parks, beaches, forests, hiking trails, and other state natural areas are compensated through resources that address the environmental footprint of visitors. We look forward to working with the Legislature on legislation that establishes a means to offset the detrimental impacts of visitor use on designated state natural resources, and protects, restores, and manages Hawaii's natural resources to benefit those who travel here and those who make Hawaii home.

Thank you very much for the opportunity to provide testimony on this measure.



ON THE FOLLOWING MEASURE:

S.B. NO. 304, S.D. 2, H.D. 1, RELATING TO VISITOR IMPACT FEES.

BEFORE THE:

HOUSE COMMITTEE ON WATER AND LAND

| DATE: | Wednesday, March 22, 2023 | TIME: | 9:30 a.m. |
|-------------|--|-------|-----------|
| LOCATION: | State Capitol, Room 430 | | |
| TESTIFIER(S |): Anne E. Lopez, Attorney Gen Daniel A. Morris, Deputy Attor | , | neral |

Chair Ichiyama and Members of the Committee:

The Department of the Attorney General (Department) supports this bill and provides the following comments.

The purpose of the bill is to establish, within the Department of Land and Natural Resources (DLNR), a visitor impact fee program to collect a fee from and issue licenses to non-Hawaii residents to allow them to visit designated state parks, beaches, forests, hiking trails, or other natural areas on state land. The bill authorizes the DLNR to adopt rules implementing the program and designating the state-owned areas subject to the licensing requirement. The bill also establishes a civil penalty in the form of a fine for not paying the fee, although implementation of the penalty provisions is delayed for a period of five years.

A visitor impact fee special fund is established for the fees collected. The special fund is administered by the DLNR, and allocations from the special fund may be used for projects that "help offset adverse environmental impacts caused by visitors, ensure that the State's natural resources are maintained for continued use by licensees, or both." Page 9, lines 4-7. Examples of permissible projects include those that "protect, restore, or enhance terrestrial and marine natural resources impacted by heavy usage of licensees"; "increase the resilience and adaptation of Hawaii's natural resources with environmentally beneficial strategies to reduce the adverse impacts of climate change, including coastal erosion, sea level rise, damage to reefs, ocean acidification, coral

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2023 Page 2 of 3

bleaching, damage to land resources, and other impacts exacerbated by licensees"; or "remove and control invasive species and propagate and plant native species in stateowned recreational areas utilized by licensees." Page 9, line 12, through page 10, line 3.

Because this bill distinguishes between residents and non-Hawaii residents, it could theoretically be the subject of a lawsuit founded upon the United States Constitution. The Department concludes that such a lawsuit would likely fail.

First, one of the features of this bill is that the legislation provides the framework and authority by which the DLNR will designate those areas of state land that will appropriately be covered by the license, with the license requirement beginning on a date established by the DLNR. Page 6, line 12 through 17. This feature will allow the DLNR to tailor the license program by promulgating administrative rules to meet constitutional standards. Because the bill itself requires rules to implement, any meaningful constitutional challenge would likely be to the administrative rules and not the bill.

Second, the U.S. District Court for the District of Hawaii has already upheld as constitutional an entrance fee on non-residents for a single area—the Hanauma Bay Natural Area Reserve—and for a single visit. See Daly v. Harris, 215 F. Supp. 2d 1098 (D. Haw. 2002), aff'd, 117 Fed. Appx. 498 (9th Cir. 2004) (upholding nonresident fees at Hanauma Bay). Further, the Ninth Circuit Court of Appeals in that case summarily adjudicated an appeal from that decision, holding that challenges based upon the Equal Protection Clause and Privileges and Immunities Clause failed because "there is a sound and reasonable basis for requiring a small fee from nonresidents 13 and older," "no fundamental right is thereby significantly burdened," and "[t]he ordinance is rationally related to the preservation of Hanauma Bay." 117 Fed. Appx. at 500 (citing Baldwin v. Fish & Game Comm'n of Mont., 436 U.S. 471 (1978)). And this analysis would appear to apply to a license that would allow non-residents to access substantially greater areas of land with unlimited access for up to one year, with the fees paid for such license going to the preservation of Hawaii's world-class natural resources, which attract so many recreational visitors every year—along with the

Testimony of the Department of the Attorney General Thirty-Second Legislature, 2023 Page 3 of 3

corresponding impact caused by these visitors. *See id.* ("Hanauma Bay Nature Preserve is a place of rare beauty, a treasure to be cherished.").

Third, there is the requisite nexus between the visitor impact fee and the permissible uses of the special fund for projects that are targeted to address visitor impacts. *State v. Medeiros*, 89 Hawai'i 361, 366 (1999) (distinguishing a fee from a tax). The current version of this bill provides a targeted array of permissible uses for the special fund that will allow fees to be used to address and remediate visitor impacts.

Fourth, because the DLNR will designate the areas where a license is required by rule, and because the DLNR shall properly place signs at these locations, *see* page 6, lines 12 through 21, sufficient notice can be provided to those requiring a license, with agency enforcement efforts focused on areas of greatest need.

Thank you for the opportunity to make these comments in support of this bill.



STATE OF HAWAI'I HAWAI'I CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Co-Chairs: Chair, DLNR Director, OPSD

Commissioners: Chair, Senate AEN Chair, Senate WTL Chair, House EEP Chair House WAL Chairperson, HTA Chairperson, DOA CEO, OHA Chairperson, DHHL Director, DBEDT Director, DOT Director, DOH Chairperson, DOE Director, C+C DPP Director, Maui DP Director, Hawai'i DP Director, Kaua'i DP The Adjutant General Manager, CZM

Testimony of Manager, CZM Leah Laramee Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the House Committee on WATER AND LAND

Wednesday, March 22, 2023 9:30 AM State Capitol, Conference Room 430, Via Videoconference

In consideration of SENATE BILL 304, SENATE DRAFT 2, HOUSE DRAFT 1 RELATING TO VISITOR IMPACT FEES

Senate Bill 304, Senate Draft 2, House Draft 1 <u>establishes the Visitor Impact Fee Program within</u> the Department of Land and Natural Resources, through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes the Visitor Impact Fee Special Fund. Appropriates funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) <u>supports</u> this measure.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multijurisdictional effort between 20 different departments, committees, and counties. The green fee is an important mechanism which will fund the expansion of conservation actions across the state that would greatly increase the resilience of natural lands which are key to economic, food, water, health and climate resiliency. Natural lands such as forests, watersheds and our reefs are vital for the state to reach our climate and food security goals. Hawai'i's forests are our only carbon sink. Half of Hawaii's forests have already been lost. If we are to be carbon net negative by 2045 as mandated by Act 15 (2018) we will need to protect our existing forests to protect the carbon stored in them and expand the forest footprint to capture additional carbon.

Our native forests are also needed for water security. Impacts of climate change such as droughts and rain bombs are already occurring. Without vegetation and forest cover, most of our islands' rainfall would quickly run off unused into the ocean. Instead, the forest buffers the impact of heavy rains. Even without rain, Hawaii's native forests can absorb moisture from passing clouds that condense on the thick vegetation. Intercepting cloud drip increases water capture by as much as 30% of rainfall, and increases groundwater re-supply by 10-15%.

Coral reefs provide habitat for our nearshore fisheries, protect coasts from waves and storms, and support tourism and fishing industries worth billions of dollars. Coral reefs are also

fundamental to the fabric of local communities, providing a source of food, materials and traditional activities. In a recent report by USGS, Hawaii's coral reefs were valued at \$863 million per year.

Wetlands help purify our water. During major rain events that due to climate change are expected to increase in frequency and intensity, a wetland can trap and allow pollutants and toxins to settle before they reach the ocean. In the same way they can help us control sediment and store flood water. Wetland habitats that also absorb carbon and can act as buffers to sea level rise.

Historically natural lands have been underinvested in. The United Nations Intergovernmental Panel on Climate Change (IPCC) 2022 report highlights the importance of nature as a climate solution. Three of the five most effective strategies for mitigating carbon emissions are all natural climate solutions. The enactment of the green fee would be a game changer for the state, not only for our natural and cultural environment but for the survival of the people of Hawai'i.

Mahalo for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR I KE KIA'ĂINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ÄINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the House Committee on WATER & LAND

Wednesday, March 22, 2023 9:30 AM State Capitol, Conference Room 430, Via Videoconference

In consideration of SENATE BILL 304, SENATE DRAFT 2, HOUSE DRAFT 1 RELATING TO VISITOR IMPACT FEES

Senate Bill 304, Senate Draft 2, House Draft 1 proposes to: 1) establish the Visitor Impact Fee Program within the Department of Land and Natural Resources (Department), through which the Department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area; 2) establish the Visitor Impact Fee Special Fund; and 3) appropriate funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee Program. **The Department strongly supports this measure, and the changes made in House Draft 1.**

The establishment of a green fee is a vital piece to closing the large gap between existing and needed funding for the management of Hawai'i's natural and cultural resources. A green fee would fund land and water protection and stewardship projects that would improve our ability to care for our unique and fragile resources, move Hawai'i forward in addressing climate change, and mitigate the impacts of Hawai'i's tourism economy. A green fee program would bolster the State's existing investments in natural and cultural resource management, protect public trust resources, and help fill Hawai'i's conservation funding gap. Increased funding via a green fee will also allow state and county agencies to apply for federal grant opportunities that require local matching funds.

If the Legislature would like to increase transparency and opportunities for public comment in the process of project ranking, the Department suggests that the original bill's language creating a volunteer commission be added. The volunteer commission would be advisory and would rank project applications and make recommendations to the Board of Land and Natural Resources (BLNR) in a public meeting that

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> LAURA H.E. KAAKUA FIRST DEPUTY

M. KALEO MANUEL DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENFORCEMENT FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS complies with the sunshine law. BLNR meetings are also public and comply with the sunshine law, which would give applicants and the public two opportunities to provide comments on the proposed projects.

Additional Supporting Information

Hawai'i's natural and cultural resources provide our drinking water and sustain all life on our islands, are huge economic assets and prime attractions of our tourism industry, and support the well-being, health, and identity of our communities. A University of Hawai'i study examined the various services provided by O'ahu's Ko'olau forests - including drinking water recharge, flood prevention, water quality, carbon storage, biodiversity, cultural, aesthetic, recreational, and commercial values. These services were calculated to have a net present value of between \$7.4 and \$14 billion. In the Pearl Harbor aquifer, full forest protection (~20,000 acres) saves the water utility \$26 to \$39 million per year (after 50 years) in replacement costs. Coral reefs – the first line of defense to large ocean swells - annually protect \$836 million in averted damages to property and economic activity in Hawai'i. Despite the value of our forests, coastlines, cultural sites, and oceans, Hawai'i invests less than 1% of the total state budget into maintaining these assets.

The establishment of green fees in several other tourism-focused economies has allowed places like the Republic of Palau, Galapagos Islands, New Zealand, and the Maldives to allow greater investment in their natural resources - reducing the overall impact of tourism on their environments, improving the quality of visitor experiences, and supporting community stewardship of these special places. Visitors and many residents do not mind paying a green fee because they know it goes back to caring for the beautiful places and resources they have come to enjoy. For example, the Department's Division of State Parks executed a parking and entry fee increase for out of state visitors during the pandemic in 2020. This action, coupled with the return of the visitor industry, contributed to a substantial increase in special fund revenue to address decades of deferred repair and maintenance at State Parks across the State. The fee increase was modest and the out of state visitor learns the parking and entry revenue is specifically reinvested in State Park management, they are supportive. The Department would like this and any other green fee proposals to emphasise the importance of maintaining these separate, previously established fees as critical to providing revenue and quality management at exceptional and heavily visited state parks.

In 2001, the Department conducted a study to determine Hawai'i's willingness to support increased funding for watershed protection. Respondents were presented with various means by which the increased funds could be raised (general funds, taxes, or fees). A majority supported the use of environment-related taxes (7.4 out of 10), or a visitor-related tax (8.0 out of 10). Palau adds a green fee to all airline passengers leaving the island state and adds the funds to an environmental management fund. Palau, New Zealand, and Maldives have not experienced a decline in visitors due to their green fees.

Mahalo for the opportunity to testify in strong support of this measure.





Ke'ena Kuleana Ho'okipa O Hawai'i Hawai'i Convention Center 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815 **kelepona** tel 808 973 2255 **kelepa'i** fax 808 973 2253 **kahua pa'a** web hawaiitourismauthority.org Josh Green, M.D. Governor

John De Fries President and Chief Executive Officer

Statement of JOHN DE FRIES Hawai'i Tourism Authority before the COMMITTEE ON WATER & LAND

Wednesday, March 22, 2023 9:30 a.m. House Conference Room 430 & Videoconference

In consideration of SENATE BILL NO. 304 SD2 HD1 RELATING TO VISITOR IMPACT FEES

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee on Water & Land,

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer comments in support of the intent of SB304 SD2 HD1, to collect fees to fund the protection and increased resilience of Hawai'i's natural and outdoor recreational resources.

The ethic of mālama – care and stewardship – is the core of our visitor education efforts. HTA's work is framed by four interacting strategic pillars: Natural Resources, Hawaiian Culture, Community, and Branding – the last of which is dependent upon the strength of the first three.

Hawai'i's environment is a treasure, and it is our collective kuleana to protect it for the generations to come. Fulfilling that responsibility takes funding. We agree with the intent of this legislation as it is in alignment with our Strategic Plan priorities in the Natural Resources pillar, as well as action items in our community-generated Destination Management Action Plans.

We have consistently been supportive of site-specific user fees as our preferred model, and no matter the model of collection, we advocate the reinvestment of those collections into improving the experience for kama'āina and visitors alike at public parks and trails.

We support the intent of SB304 SD2 HD1. We stand ready to assist in educating visitor industry stakeholders and visitors, and we defer to our colleagues at the Department of Land and Natural Resources on matters related to the implementation of this measure.

Mahalo for the opportunity to provide these comments.

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<u>SB-304-HD-1</u>

Submitted on: 3/17/2023 7:56:30 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|------------------------|---------------------------|---------------------------|
| Lisa Bishop | Friends of Hanauma Bay | Support | Written Testimony Only |

Comments:

Aloha Chair, Vice Chair, and Committee Members,

Friends of Hanauma Bay urges you to pass this long overdue and important bill!

With Aloha,

Lisa Bishop

President

SB-304-HD-1

Submitted on: 3/20/2023 8:56:29 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------------------------|---------------------------|---------------------------|
| Manuel Mejia | CORAL (Coral Reef Alliance) | Support | Written Testimony Only |

Comments:

Aloha (Chair) Rep. Linda Ichiyama, (Vice Chair) Rep. Mahina Poepoe, and

Representatives Chun, Morikawa, Ganadaen, Takayama, Hashem and Souza,

On behalf of the Coral Reef Alliance (CORAL), and our partners organizations and communities that are working hard to protect Hawaii's coastal resources, I want to thank you for your strong leadership in championing SB304, a very wise and creative way to raise much-needed funds for our state to be able to better care for our island home.

I support and commend you for hearing this bill as this will be a gamechanger for raising revenues so that the DLNR can meet its full mandate of protecting our precious natural environment, through the visitor impact fee. DLNR is woefully underfunded and this is the right opportunity to seize in order to preserve what makes Hawaii a strong tourism destination. In doing so, we are protecting not only our economy, but more importantly safeguarding the soul and esssence of what truly makes our home islands special--our biocultural resources.

I ask that you please continue championing this bill as it is much needed and a very innovative way to generate funds without taxing our residents. The economics and science of this makes absolute sense. Visitors are more than happy to pay their share of their impact and give back. Also, with our natural resources receiving more care and protection, our unique ecosystems can persist and flourish. There is no down side. Contrary to fears that a visitor fee will make Hawaii a less attractive destination, having a visitor impact fee will in fact (as successfully shown in other places around the world) sends the right message to the world that we malma and take pride in our island home. Passing this bill will only make our State and the well-being of our communities stronger and healthier. Again, thank you for your strong leadership in sheperding this bill to success at the Legislature. You are already on the right side of history for hearing this bill. Mahalo for passing it and bringing it to fruition so that DLNR and community partners can have the necessary resources to protect, restore and enhance our natural environment for all to benefit from and enjoy and that we (people and nature) may all thrive in Hawaii.

Sincerely, Manuel Mejia

Regional Program Director (CORAL)

mmejia@coral.org



Testimony Before The House Committee on Water and Land IN SUPPORT OF SB 304 SD2 HD1 Proposed March 22, 2023, 9:30AM, Room 430

My name is Kevin Chang and I am the Executive Director of <u>Kua'āina Ulu 'Auamo (or KUA)</u>. KUA works to empower grassroots rural and Native Hawaiian mālama 'āina groups -fishers, farmers, families- to celebrate their places and pass on their traditions to better Hawai'i and achieve 'āina momona— an abundant, productive ecological system that supports community well-being.

KUA employs a community-driven approach that currently supports a statewide network of 36 mālama 'āina community groups collectively referred to as E Alu Pū (moving forward together), 40 fishpond projects and practitioners called the Hui Mālama Loko I'a, and a growing group of over 60 Limu practitioners and supporters called the Limu Hui. Our vision of 'āina momona includes pathways to new economic and environmental regenerative opportunities for present and future generations.

KUA strongly supports the proposed SB 304 SD2 HD1 with suggestions as an incremental step on a pathway towards 'āina momona. This bill proposes an environmental license for tourists which would allocate moneys to natural resource management, establish a fund and commission to direct use of the fees collected transparently, and support our government and our community through grant programs to non-profits working to protect and restore Hawai'i's natural resources. We view the commission as significant in helping DLNR build capacity in its outreach and connection to uplifting communities through a culture of conservation. We suggest in the development of this bill that defines project priorities, as set forth in section 171-f (b) and (d) specifically include a fourth priority for initiatives that further public trust responsibilities to the Native Hawaiian community in regards to the perpetuation of their culture and relationship with the environment. Further we suggest the operative language regarding the dispersal of funds to community non-profits in 171-f (d) should be changed to "shall allocate moneys to provide grants" to ensure that our citizens, who live in and are most knowledgeable and subject to the environmental impacts of tourism are considered and resourced as part and parcel to solutions in environmental governance and management.

A recent survey on public support for the care of biocultural resources found that **95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations and 82% percent also support giving local communities a clear role in managing marine areas. Further 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources.** We believe SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them.

The preamble of this bill also uplifts the significance of the contribution that many state citizens, especially those in rural and Native Hawaiian communities across our state do beyond

the payment of taxes for environmental care. They engage in practices of direct environmental management and governance often in collaboration with our too long under-resourced DLNR. They engage in this work as a matter of kuleana, subsistence and civic responsibility driven by values and practices embodied in our constitution. It is appropriate that this resource pathway should specifically support and empower community capacity as an essential partner in environmental governance and management.

A primary function of KUA includes development of an 'auwai, a stream of resources, tools, bridges, relationships, and networks that help to cultivate and take our communities' work to greater levels of collective impact. A core catalyst for the flow in this 'auwai includes increasing the percentage of our economy -public and private- which helps manage and regenerate the condition of the environment that sustain us. Indeed, understanding growth in an environmental sector is becoming a priority as well as the University of Hawai'i Economic Research Organization, with input from KUA and a number of partners (DLNR, Kupu, TNC, KS, OHA etc.) now tracks natural resource workforce development as a key part of a "Green Economy."

Our young people today are calling for a rebalanced approach to living in an island subject to an overly extractive economic approach to life. They want a sector of our economy which rebalances overuse with better care and stops our perpetual state deferred environmental maintenance. They want an island culture that no longer takes for granted the environmental subsidies that allows us to thrive. Indeed, island communities which draw tourists from around the world are the canaries in the coal mine for being overrun with travelers and impacts by global climate change. This is why the preamble of the bill cites island communities like Galapagos, New Zealand and Palau as leaders in developing green fee programs. Hawai'i must join this hui.

Looking to the future, our communities are raising the kupa'āina who want jobs focused on mālama 'āina. Young people want to stay home and care for their home. In the conservation sector young people are calling for more conservation opportunities with livable wages. The overrun on applications that recently inundated and exceeded the capacity of the DOCARE Academy enrollment portal is a strong indicator. This despite the fact that they will still likely be underpaid. We appreciate the necessary, creative and collaborative approaches our state supports that build the capacity and skills of the next generation with intention, and in a way that benefits ongoing community efforts to support ecosystem regeneration.

The communities we work with are committed to ensuring the long-term health of our biocultural resources. They have depended on them for generations. We believe our environment, the foundation of our very existence, is about long-term investment and a vision of 'āina momona. To get there it requires among other things taking the steps toward greater self-sufficiency, development of a pipeline of new and more innovative career pathways, mindsets, relationships and resource flows for mālama 'āina. Passing this bill out of your committee will open an essential 'auwai toward reaching this vision.

Please pass this bill out of your committee and mahalo for this opportunity to testify.

Aloha 'Āina Momona.

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Visitor Impact Fee

BILL NUMBER: SB 304 HD 1

INTRODUCED BY: House Committee on Tourism

EXECUTIVE SUMMARY: Establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources (DLNR), through which the department will collect a fee for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes, and appropriates moneys into and out of, the Visitor Impact Fee Special Fund.

SYNOPSIS: Adds a new part to chapter 171, HRS, to define the program.

Under the program, visitors shall pay a visitor impact fee to obtain a license to use a state park, beach, state-owned forest, hiking trail on state-owned land, or other state-owned natural area. Visitor impact fees collected shall be deposited in the newly established visitor impact fee special fund. Revenues collected under the program shall be allocated to protect, restore, and manage natural and cultural resources.

Prohibits any visitor who is fifteen years of age or older to visit a state park, beach, state-owned forest, hiking trail on state-owned land, or other state-owned natural area without first obtaining an impact fee license. Violators shall be liable for a civil fine not to exceed \$____, but fines shall not begin until five years after the establishment of the program.

The initial visitor impact fee shall be \$50 per person and the license purchased shall be good for one year. DLNR may, once every five years, adjust the fee to account for inflation.

DLNR is to place signs at state parks, beaches, state-owned forests, trailheads on state-owned land, and other state-owned natural areas to inform visitors of the requirement to pay a visitor impact fee and obtain a license.

DLNR's disbursement of impact fee revenues out of the special fund may be used for one or more of the following purposes:

- (a) Direct expenses expended directly by state agencies for projects that help offset adverse environmental impacts caused by visitors, ensure that the State's natural resources are maintained for continued use by licensees, or both.
- (b) Expenses for the administration of the program, including the creation and implementation of a visitor impact fee strategic plan.
- (c) Grants to the counties or nonprofit organizations up to 50% of the annual fee revenue. Priority will be given to projects that satisfy at least one of the following:
 - (1) Develop nature-based solutions to environmental and climate issues that impact the State;

- (2) Provide significant protection, restoration, and enhancement of Hawaii's natural resources; or
- (3) Increase the resilience of state-owned natural resources trafficked by licensees.
- (d) Cost-matching funds for federal grants that satisfy at least one of (c)(1)-(3).
- (e) Enforcement of the impact fee license law.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: This fee may be subject to challenge as unconstitutional. The Privileges and Immunities Clause of the U.S. Constitution requires that "The Citizens of each State shall be entitled to all Privileges and Immunities of Citizens in the several States." Although it has been held that a state may treat out-of-state residents differently in some situations, such as in granting licenses for recreational hunting, *Baldwin v. Fish & Game Commission of Montana*, 436 U.S. 371 (1978), the Court indicated that the result may be different when the nonresident is not given access to any part of the State to which they may seek to travel. *Id.* at 388. This is because the Court has recognized that the Constitution protects the right of citizens of the United States to travel freely throughout the land.

"We are all citizens of the United States," the Court stated in *Crandall v. Nevada*, 75 U.S. 35 (1867), "and as members of the same community must have the right to pass and repass through every part of it without interruption, as freely as in our own states. And a tax imposed by a state for entering its territories or harbors is inconsistent with the rights which belong to citizens of other states as members of the Union and with the objects which that Union was intended to attain. Such a power in the states could produce nothing but discord and mutual irritation, and they very clearly do not possess it."

Other recent cases in the federal system have sustained the power of government to charge a user fee whose proceeds are dedicated to protect and preserve the natural attraction for which the user fee was charged (Hanauma Bay, for example). The cases did not see as problematic exempting Hawaii taxpayers from the fee.

The Hawaii Supreme Court in *State v. Medeiros*, 89 Haw. 361, 973 P.2d 736 (1999), held that the following test would be applied to distinguish between a user fee and a tax: "whether the charge (1) applies to the direct beneficiary of a particular service, (2) is allocated directly to defraying the costs of providing the service, and (3) is reasonably proportionate to the benefit received." 89 Haw. at 367, 973 P.2d at 742.

Applying this test, the proposed visitor impact fee looks more like a tax. Although the impact fee is collected in a special fund, it is collected from visitors regardless of how many natural attractions the visitor visits. The uses to which the money in the fund can be put are broad and varied, and are not limited to the care and upkeep of natural attractions visited by tourists.

For these reasons we are concerned that the State is without power to limit access of visitors to places where residents are allowed.

We also note some incongruities in the definition of "resident" offered in the bill. The bill calls a person a resident if that person filed a Hawaii tax return; nonresidents file Hawaii tax returns too.

Re: SB 304 HD1 Page 3

The bill also allows a person to be classified as a resident if they have a utility bill or similar document showing a Hawaii address; the Hawaii address could be that of a second or third home.

Digested: 3/18/2023



Senate Committee on Water and Land

Hearing: Wednesday, March 22, 2023

TESTIMONY IN SUPPORT OF SB304: RELATING TO VISITOR IMPACT FEES

The Hawaii State Youth Commission (HiYC) was established to "advise the governor and legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the state." We are writing in <u>strong</u> <u>support</u> of SB304.

From littering to increased carbon emissions, our environment has suffered as a result of the unfettered tourism our islands have been host to in recent decades. The visitor fee program would allow the state to not only offset this damage but also take action toward the restoration and protection of our precious watersheds and oceans, which have been the subject of continuous abuse by both public and private bodies for decades. We believe that Hawai'i's unique ecosystems, from our native forests to our disappearing coastlines and pristine waters, deserve to be preserved for future generations of the decades and centuries to come. This bill would be a critically needed step in doing so, and we believe that it is imperative to pass SB304 this session.

This bill is also a critical step toward building bridges between our local communities and visitors. As our communities have often been harmed by the impacts of historical injustices and the tourism industry, we believe that SB304 represents both a responsibility and opportunity for the government to remediate these damages and facilitate better relations between the people who take care of our 'āina and those who visit it.

Mahalo for your consideration of our testimony in support of this important bill.

The Hawai'i State Youth Commission hawaiistateyc@gmail.com



March 20, 2023

Representative Linda Ichiyama, Chair Representative Mahina Poepoe, Vice Chair House Committee on Water and Land Hawaii State Legislature

Comments on SB304 SD2

Dear Chair Ichiyama, Vice-Chair Poepoe, and Members of the House Committee on Water and Land,

Thank you for the opportunity to comment on SB304 SD2.

Overall, the Kohala Coast Resort Association is in support of the state collecting visitor impact fees for the use of our state's natural resources, including state parks, beaches, trails, natural areas and other facilities, **but only if those fees are directly reinvested in those natural areas for maintenance, upkeep and preservation.**

Fees of \$10 per car and \$5 per person have been collected at a number of Hawaii Island state parks for years. But unfortunately, those parks have not directly benefited from those fees. For example, we understand that Hapuna Beach State Park on the Kohala Coast has collected more than \$1.5 million in fees from visitors, but those fees have not been reinvested in the resource. Hapuna Beach State Park has been plagued by issues with its water lines for more than a year. Spray painted signs on broken wooden boards state "NO WATER" as you enter the park. And, despite repeated requests from the industry, the community, and elected officials, there is currently no potable water, nor working restroom facilities. The temporary luas that have been put in place have been there for more than 6 months and are not cleaned often enough. They bake in the sun and are an unsightly and odorous detraction from what should be one of Hawaii Island's crown jewels. We understand from recent media coverage that the state will take more than two years to come up with a permanent solution. This is unacceptable – and in a place where visitor impact fees have been collected for years!

We believe that the Hawaii State Legislature should take a deeper dive into the revenues and expenditures from **previously established visitor fee programs** before moving this bill forward and committing to new ones. A dashboard on how all of the fees are being used should also be readily available and accessible to the public, so we can be apprised of the status of key projects. It is often difficult to receive an update, or even a return phone call from state departments and divisions.

In addition, the Kohala Coast Resort Association would like to see the Legislature provide a firm accounting on how revenues collected from visitors through other taxes, such as the Transient Accommodations Tax (TAT) are allocated across state services. We believe the \$40 million that our members paid into state and county TAT in 2022 should be appropriately allocated to address visitor impacts, not just disappear into the general fund.

On behalf our 5,000 employees and their 20,000 family members, thank you for the opportunity to provide comments on SB304 SD2.

Sincerely,

Atephanie P. Donoko

Stephanie Donoho, Administrative Director



To: The Honorable Chair Linda Ichiyama, the Honorable Vice-chair Mahina Poepoe, and members of the House Committee on Water and Land

From: The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing SB304 SD2 HD1 RELATING TO VISITOR IMPACT FEES

Hearing: Wednesday, March 22, 2023, 9:30 a.m. CR430

Aloha Chair Ichiyama, Vice-chair Poepoe, and members of the House Committee on Water and Land:

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i STRONGLY SUPPORT SB304 SD2 HD1.

The Hawai'i Reef and Ocean Coalition (HIROC) is a group of scientists, educators, filmmakers and environmental advocates who have been working since 2017 to protect Hawaii's coral reefs and ocean. HIROC is deeply concerned about protecting marine resource areas.

The Climate Protectors Hawai'i seek to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate. Large numbers of visitors flying to Hawaii generate a huge amount of greenhouse gases. The **millions of visitors** to Hawaii looking to enjoy our natural resources **create a need for substantial funding** to protect and maintain those natural resources.

It is appropriate and fair to require visitors to those resource areas to purchase an annual "Conservation passport," (a better name than "green fee") for which \$50 seems a reasonable amount. Hawai'i residents support our natural resources through taxes; visitors should contribute as well. Other tourismfocused economies, such as New Zealand, the Republic of Palau, Galapagos Islands, and the Maldives have been able to invest more in protecting and maintaining their environments by charging visitors. Hawai'i should too!

Please pass this bill!

Mahalo!

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

SB-304-HD-1

Submitted on: 3/20/2023 1:05:53 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|-----------------------------------|---------------------------|---------------------------|
| Helen Cox | Kauai Climate Action Coalition | Support | Written Testimony Only |

Comments:

Aloha Chair and Committee Members,

I am testifying on behalf of Kauai Climate Action Coalition, a group of approximately 150 Kauai residents committed to addressing the climate crisis we face through education, policy cange and direct action. We urge you to support SB304 SD2 HD1 to establish a green impact fee on visitors within the Department of Land and Natural Resource. We all know that visitors have an enormous impact on our environment. The fee from visitors will pay for a license to visit state parks, forest, hiking trails, or other state natural areas. The collected funds can then to be used for needed maintenance and improvements of our natural environment. This is just fee that visitors are willing to pay since they enjoy the wonderful place that is Hawaii. Please pass SB304 SD2 HD1. Mahalo!

Helen Cox, Chair

Kauai Climate Action Coalition



H A W A I [•] I 1164 Bishop St., Ste. 1512 Honolulu, HI 96813 **tpl.org**

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TRUST FOR PUBLIC LAND'S TESIMONY IN SUPPORT OF SB 304 SD2 HD 1 House Committee on Water & Land, State Capitol, Conf. Rm. 430 Wednesday, March 22, 2023, 9:30 a.m.

Aloha Chair Ichiyama, Vice-Chair Poepoe, and Committee Members -

Trust for Public Land (TPL) strongly supports SB 304 SD2 HD 1, which proposes to establish a visitor impact fee or fund, the revenues of which would be used to care for our precious natural and cultural resources impacted by tourism.

Although Hawai'i's natural and host culture attracts over 10 million visitors a year in non-pandemic times, the State's management and protection of cultural and natural resources is sorely underfunded -- receiving less than 1% of the state's annual budget. DLNR struggles to manage a tremendous kuleana – its Natural Area Reserves, Forest Reserves, parks, trails, historic sites and monuments, and unencumbered state land. Hawai'i suffers from a significant conservation funding gap <u>estimated at \$360 million annually</u>. Meanwhile – coral reefs are dying, trails are overcrowded, cultural sites are being damaged, parks are deteriorating, watersheds are threatened, and fish stocks are declining. Residents feel overwhelmed by the overuse of and damage to the special places they and their families once enjoyed, and to which many families have genealogical connections.

With an estimated 10 million tourists visiting our islands annually in non-pandemic times, a \$50 per person green fee could generate \$500 million in conservation revenue each year, creating local green jobs and protecting Hawai'i's irreplaceable natural and cultural resources, including the forested watersheds that generate the islands' only source of fresh drinking water and the reefs that protect more than \$830 million worth of coastal infrastructure each year, according to a <u>USGS report</u>.

Voters strongly support management of our natural and cultural resources funded by a visitor impact fee. A January 2023 survey conducted by FM3 (95% confidence level), found that nearly two-thirds of Hawai'i voters support the Legislature passing a \$50 visitor impact fee that would be used to maintain and manage natural and cultural resources. Our broader community has experienced first hand the impacts of tourism on Hawai'i and agree across gender, political party, and ethnicity that a visitor impact fee is in the best interest of Hawai'i. We hope that you agree.

Mahalo for this opportunity to testify. I apologize that I will not be able to attend the hearing in person or virtually due to a scheduling conflict.

La Hono

Lea Hong Associate Vice-President Hawai'i State Director Edmund C. Olson Trust Fellow Trust for Public Land



SB 304, SD2, HD1, RELATING TO VISITOR IMPACT FEES

MARCH 22, 2023 · HOUSE WATER AND LAND COMMITTEE CHAIR REP. LINDA ICHIYAMA

POSITION: Support.

RATIONALE: Imua Alliance <u>supports</u> SB 304, SD2, HD1, relating to visitor impact fees, which establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources, through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area; establishes the Visitor Impact Fee Special Fund; and appropriates funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee Program.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Colombia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of

people are displaced from their homes. In the decades to come, says Gerrard, <u>climate change</u> <u>will very likely lead to a significant increase in the number of people who are displaced</u> <u>and, thus vulnerable, to human trafficking.</u> While the Paris Climate Agreement of 2015 established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area–one-third of which is designated for urban use–without risking massive structural damage and, potentially, great loss of life.

Therefore, we should take steps to accelerate Hawai'i's efforts to address climate change and develop a clean economy, including by implementing "green fees" that ensure our state's visitors pay their fair share to sustain our 'āina. New Zealand, the Maldives, Cancun, and Venice, and numerous other countries have green fee programs for visitors, which vary from \$1 per night to a \$100 entrance fee for the purpose of environmental conservation. <u>Palau's per-tourist</u> investment in its natural environment is \$92, New Zealand's is \$188, and the Galapagos Islands' is \$373. Hawai'i's is just \$9 per tourist, according to a report from Conservation International's Green Passport initiative. We need to catch up. For the sake of our keiki, we cannot afford to wait to solidify strategies to preserve our island home for generations to come.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org



Testimony of Lisa H. Paulson Executive Director Maui Hotel & Lodging Association

House Committee on Water and Land Senate Bill 304 SD2 HD1: Relating to Visitor Impact Fees March 22, 2023, 9:30 am Conference Room 430

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry for Maui County. We represent over 180 property and allied business members and 22,000 employees. **MHLA supports Senate Bill 304 SD2 HD1,** which establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources, through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes the Visitor Impact Fee Special Fund. Appropriates funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee Program.

MHLA favors the use of <u>impact fees</u> in Senate Bill 304. We also want to encourage a greater nexus to the fees being charged and ensure that any impact fee remains separate from any general governmental fund and that these funds must be used to protect, rehabilitate, and improve the resource at which it was collected. This will guarantee that our natural resources will retain their beauty and health.

For these reasons stated above, MHLA supports Senate Bill 304, SD2 HD1.

Thank you for the opportunity to provide this testimony.



The Honorable Representative Ichiyama, Chair The Honorable Representative Poepoe, Vice Chair Honorable Members of the Committee on Water & Land

TESTIMONY IN SUPPORT OF SB 304 SD2 HD1 Relating to Visitor Impact Fees

Hearing Date: March 22, 2023, 9:30 am Conference room 430

To the Honorable Chair, Vice Chair, and Committee Members:

Aloha Kākou. My name is Pauline Sato and I serve as the Executive Director of the Mālama Learning Center, a private, non-profit environmental education organization serving schools and communities in West O'ahu. <u>I am testifying in strong support of SB 304 SD2 HD1</u>. This bill would help offset visitor impacts through a visitor green fee program, and distribute funds to the State, Counties, and non-profit organizations to implement actions that work to restore our natural and cultural resources, which visitors from across the world come to experience.

More than 10 year ago, I had the good fortune of visiting the Republic of Palau and was immediately impressed with their innovative version of a green fee. Visitors certainly did not hesitate to go there because of a fee that was less than 5% of the cost of airfare alone. The green fee in Palau continues to help the government and non-profit organizations manage their natural and cultural resources – it is time that Hawai'i has its own green fee.

This measure is needed now as our natural and cultural resources bear the heavy weight of human impact – including that of visitors. Hawai'i is attractive to visitors for multiple reasons, including our islands' beaches, mountains, and natural areas, yet they are not asked to pay for the costs to manage and sustain resources at scales island-wide.

Recent scientific polling shows that Hawai'i residents are in undeniable support for a visitor green fee program. If we keep waiting to pass this bill and implement the modest fee, our natural and cultural resources will be degraded further, triggering a domino effect that will negatively impact our economy and way of life. For the sake of our children, let us be bold and determined to give them an environment that will nurture them as it has us.

I urge your respective committees to pass this bill and thank you for the opportunity to testify. I am hopeful that this is the year that Hawai'i gets its own green fee!

Aloha, Pauline M. Sato

Mālama Learning Center P.O. Box 1662, Honolulu, Hawai`i 967806 www.malamalearningcenter.org

SB-304-HD-1

Submitted on: 3/21/2023 8:17:01 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| John Leong | Kupu | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe, and Honorable Committee Members,

My name is John Leong, and I am the CEO and co-founder of Kupu. On behalf of Kupu, it's my pleasure to testify in strong support of S.B. 304 S.D. 2 H.D. 1, Relating to Visitor Impact Fees. As written, this bill could greatly improve Hawai'i's capacity to care for our environment and truly begin the hard work needed to restore our environment. As many testifiers have explained in previous hearings, Hawai'i suffers from a conservation deficit, meaning that as a state we significantly underspend and undermanage our precious natural resources, leaving our water, air, soil and seas vulnerable to harms that eventually reduce our access to clean air, drinkable water, swimmable oceans, and undermine our food security. Just as we have invested in important parts of our economy to grow the industries that currently thrive in Hawai'i, we must also invest in our environment to sustain the benefits it provides us.

As background, Kupu was founded in 2007 in Hawai'i, and has since grown into our state's largest youth-focused conservation nonprofit. Each year, hundreds of youth and young adults come through our programs to learn about careers in sustainability, and to have their first handson experience, internship, or job in conservation, sustainable agriculture, sustainable energy, or environmental education. Hawai'i's youth are knowledgeable and passionate about our environment, and with the right opportunity many would choose a career that focuses on restoring our islands or caring for our natural and cultural resources. SB 304 would support these youth by giving them greater opportunities in green jobs. This, in turn, will bolster our economy, not just by growing our sustainability sector, but by caring for the natural beauty and environment upon which many of our dominant industries rely.

Please pass SB 304. Thank you for the opportunity to testify.

Sincerely,

John Leong



Tel (808) 537-4508 Fax (808) 545-2019 nature.org/HawaiiPalmyra

Testimony of The Nature Conservancy Supporting SB 304 SD2 HD1, Relating to Visitor Impact Fees.

Committee on Water and Land March 22, 2023, 9:30 am Conference Room 430 and via Videoconference

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee:

The Nature Conservancy (TNC) strongly supports SB 304 SD2 HD1, Relating to Visitor Impact Fees, which establishes a visitor impact fee program within the Department of Land and Natural Resources (DLNR), through which the Department will collect a fee for a license to visit a state park, forest, hiking trail, or other state natural area. It also establishes the visitor impact fee special fund to protect and manage natural resources.

SB 304 SD2 HD1 would establish an innovative funding stream to support the critical conservation efforts needed to maintain Hawai'i as a healthy, sustainable home for future generations, as well as a world-class visitor destination. Our natural resources sustain our way of life, feed our families, and drive our local economy. Although Hawai'i's natural beauty is a top tourist attraction and our resources provide many ecosystem services for tourists, conservation efforts receive less than 1% of the State's annual budget. A visitor impact fee could help close Hawai'i's conservation funding gap, which has been estimated at \$360 million annuallyⁱ. TNC supports ensuring this funding supports the broad array of conservation efforts that face impacts from and benefit tourists.

A January 2023 poll of Hawai'i residents showed strong public support for a visitor impact fee, with 63% of voters supporting a \$50 per-person annual visitor fee to protect and restore natural and cultural resources impacted by tourism and climate change. There was also strong support for an array of actions to make the islands more resilient; for example, over 70% support protecting and restoring coral reefs, removing and controlling invasive species, and protecting and restoring native species. Additionally, 88% agree that "tourists should pay their fair share to protect and manage natural, cultural, and recreation resources in Hawai'i," and a similar proportion (89%) agrees that "Hawai'i should increase its investment in protecting land, water, wildlife, and recreational resources."ⁱⁱ All of these priorities can be supported through a visitor impact fee and fund as established in SB 304 SD2 HD1.

We also support the Environmental Legacy Commission established under the introduced version of the bill. It will provide important input from a wide variety of stakeholders in the visitor impact fee and fund, and transparency and accountability in how the funding is spent. We ask the Committee to consider adding these sections back into the legislation.

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The Nature Conservancy, Hawai'i and Palmyra March 21, 2023 Page 2

Hawai'i's visitors directly affect and benefit and natural resources, whether they visit these resources or not – such as steady supplies of fresh water from forests, and shoreline protection from reefs – and should directly contribute to their conservation as well. Additionally, we are facing pressures from climate change, including increased flooding, coastal erosion, sea level rise, coral bleaching, loss of native forest, rising temperatures, and increased threats of extinction for endangered species, DLNR and organizations like TNC are working to protect and restore our islands' critical natural resources. Additional funding is needed to increase the pace and scale of these conservation efforts to offset the growing impacts from visitors and climate change. The visitor impact fee and special fund established in SB 304 SD2 HD1 would allow for more sustained funding to scale efforts and address our conservation needs while supporting the development of green jobs to conserve and manage our natural resources without increasing fees or taxes on residents.

A transformational investment in Hawai'i's natural resources through a visitor impact fee program and special fund is necessary to build environmental and economic resilience for our local communities and our visitor industry. By investing in our environment today and into the future, we can ensure that residents and visitors are able to enjoy our incomparable natural environment and island lifestyle for generations to come.

Mahalo for the opportunity to support SB 304 SD2 HD1.

The Nature Conservancy of Hawai'i and Palmyra is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 nature preserves and work in over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands. We forge partnerships with government, private parties, and communities to people.

ⁱ von Saltza, E. 2019. Green Passport: Innovative Financing Solutions for Conservation in Hawai'i. A report prepared for Conservation International.

ⁱⁱ Fairbank, Maslin, Maullin, Metz & Associates (FM3) recently completed a survey of Hawai'i voters to assess their views on a range of environmental issues, including support for a \$50 fee collected from visitors to be used to protect and restore land, water, wildlife, and cultural resources that are impacted by tourism (sometimes referred to as a "green fee"). From Jan. 8-19, 2023, FM3 completed 864 online and telephone (landline and wireless) interviews with Hawai'i voters. The margin of sampling error for the study is +/-3.5% at the 95% confidence level; margins of error for population subgroups within the sample will be higher. Due to rounding, not all totals will sum to 100%. The study was funded by The Nature Conservancy, Resources Legacy Fund, and Trust for Public Land. A memo summarizing poll results is available upon request.



March 22, 2023 9:30 a.m. Conference Room 430 and via videoconference

To: House Committee on Water & Land Rep. Linda Ichiyama, Chair Rep. Mahina Poepoe, Vice Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

RE: SB304 SD2 HD1 — RELATING TO VISITOR IMPACT FEES

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer comments on <u>SB304 SD2 HD1</u>, which would establish a \$50 license to be paid by any non-resident aged 15 or older in order to visit a state park, beach, forest, hiking trail or other natural area owned by the state.

We have grave concerns about several aspects of this bill, ranging from its legality to its applicability and enforcement.

In addition, we believe that this proposal may have unforeseen consequences for small businesses in the state and for the economy as a whole.

Finally, we have questions about the allocation of the revenues from the fee and whether the program would properly benefit Hawaii residents.

We hope you will consider the following issues as you deliberate on this measure:

>> **Constitutionality**: There is reason to doubt whether this program would pass constitutional muster. The U.S. Supreme Court frowns upon any law that would restrict the right to travel

freely between states and has ruled against disparate resident/nonresident tax schemes under both the Privileges and Immunities Clause and the Equal Protection Clause.¹

While different resident user fees such as hunting licenses or park entry fees have been upheld, the licensing scheme proposed here is far broader in scope and more akin to a tax than a user fee.

Given that the rationale for the fee is the impact of visitors upon the natural environment, the state cannot plausibly claim that there is a rational basis for treating the impact of tourists as more injurious to Hawaii's ecosystem than full-time residents. Thus, unless residents were also charged for a similar license, the entire scheme risks being overturned on a legal challenge.

>> **Applicability:** Though presented as a fee that will only be paid by tourists, this bill underlines the fundamental difficulty of delineating who is "local" and who is a visitor.

Under the bill, anyone who can provide a valid state ID, valid Hawaii school ID, an income tax statement from the previous year or some form of official documentation from a government agency, financial institute, insurance agency or utility agency would count as a resident for the purpose of the license.

Thus, anyone who has moved to the mainland for more than a year or so is now a "visitor" and subject to the fee. This could lead to some very strange results.

Under this bill, Oprah Winfrey is a resident because she can produce a utility bill, but Iam Tongi, the "American Idol" contestant whose family was "priced out of paradise," is a visitor.

A billionaire who pays taxes in Hawaii as well as other states is a "resident," but a local family who had to move to Nevada to make ends meet will have to pay hundreds of dollars if they want to come home for grandma's birthday party at the beach.

Moreover, the bill makes no mention of members of the military stationed in Hawaii. Will they be exempted from the fee, or will the state require licenses from raw enlistees who are not here by choice?

¹ See, e.g., Crandall v. Nevada, 75 U.S. 35 (1867); Austin v. New Hampshire, 420 U.S. 656 (1975) (invalidating a "commuter income tax" applying only to nonresidents); and Metropolitan Life Insurance Co. v. Ward, 470 U.S. 869 (1985) (invalidating a law that taxed out-of-state insurance companies at a higher rate than in-state companies).

>> Administration and enforcement: There would be considerable logistical hurdles involved in administering this fee so that it would not be automatically applied to any non-resident who enters the state, regardless of whether they intend to use any public park or beach. After all, someone who is only passing through or only attending meetings in a hotel would not need to pay the license fee. If they were charged anyway, this would make it a fee to enter the state, which would certainly be invalidated by a court.

This problem leads to serious questions of how the license would be enforced, especially in areas with no point of entry where visitors could show the license. The penalties section of the bill clearly indicates the intent to include an enforcement mechanism, but it is unclear how this will be accomplished. Will government officials patrol Hawaii's state parks and beaches, demanding licenses from anyone who appears to be a tourist? This could quickly devolve into a civil rights issue.

Delaying the assessment of penalties for five years to allow for implementation, education and enforcement does push this problem down the road. However, those issues will still exist whenever the penalty period begins.

In addition, administration and enforcement could end up costing the state significant resources in both labor and funding. It is unclear from this bill whether enough research has been done on the full cost of this program.

>> Economic impact: This bill assumes that a visitor impact fee would not negatively affect tourism. However, if the average family visiting Hawaii had to add a \$200 license fee to their vacation budget, it is likely that they will try to compensate for that expense. Hawaii's independent restaurants, retail establishments, tour companies and other small businesses depend on visitor spending for their survival. Though it might not affect transportation or lodging, this license fee could cut into visitor spending in ways that are most likely to harm small, local businesses.

Hawaii already has some of the world's highest tourism taxes,² and this is effectively another tax on tourism. As such, we can expect it to ripple through that industry in ways that might not worry larger companies, but could have a real impact on Hawaii's economy anyway.

>> **Resident benefits**: Though pitched as a way to address the impact of visitors on our state, this licensing fee is more properly described as a funding source for environmental grants.

² Alison Fox, "<u>These Cities — Including 3 in the U.S. — Have the Most Expensive Tourist Taxes in the</u> <u>World, Study Shows</u>," Travel + Leisure, Aug. 12, 2022.

The revenues for this bill are not being used to fix roads, renovate the airports or even improve sanitation. The "visitor impact" to be addressed by this bill is not specific to visitors, but rather includes a broad range of objectives related to climate change, natural resources and the environment. These might be worthy goals, but one must ask why a new source of funding must be created for them and why those revenues are not being used for a purpose with more immediate benefits to residents — such as infrastructure improvements, education, affordable housing or tax cuts.

In sum, this "visitor impact fee" program appears arbitrary, unfair, fiscally questionable and unconstitutional.

If Hawaii wishes to pull more money out of tourists to address the visitor impact on our state, the Legislature can always consider another increase in the transient accommodations tax. That would at least be easier to administer and would allow for more discussion regarding how those funds should be used.

As envisioned in this bill, the visitor's license runs contrary to the spirit of aloha.

Thank you for the opportunity to testify.

Sincerely,

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii


House Committee on Water & Land

Hawai'i Alliance for Progressive Action (HAPA) Supports: SB304 SD2 HD1

Wednesday, March 22nd, 2023 9:30 a.m. Conference Room 430

Aloha Chair Ichiyama, Vice Chair Poepoe and Members of the Committee,

HAPA supports SB304 SD2 HD1, which establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources, through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes the Visitor Impact Fee Special Fund. Appropriates funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee Program.

There is a critical need for additional and scaled revenue to protect, restore, and enhance Hawai'i's irreplaceable natural resources, including our oceans, reefs, beaches, forests, and streams. While our visitor industry plays a substantial role in our State economy, the 10 million visitors to our islands each year exact a heavy toll on our natural resources. These resources are invaluable to the livelihoods of our local residents and integral drivers of our statewide economy as well as our visitor industry. Right now, we have fallen short on funding resources to conserve, restore, and protect our environment - and we are facing a closing window of opportunity to act. In order to meet our sustainability goals, invest in climate solutions to protect our State, and close our conservation funding gap, we must generate a funding source that is sustainable for years to come.

A poll from 2022 of Hawai'i residents revealed that over two-thirds of Hawai'i voters support implementing a visitor green fee to fund the protection of natural and cultural resources, and 88% believe that visitors should pay their fair share for natural resources.

In addition to state agencies, there are many organizations already doing the important work of implementing solutions across our State, and we must uplift and scale that work to meet our local challenges. The grant program would open up transformational funding for many groups each year, including City & County who manage many of our beaches and coastlines.

Benefits of a Visitor Impact Fee include, generating a new pool of funding through the tourism industry, Hawaii can create independent economic resilience rather than rely on federal support during the onset of a recession.

Using estimates from Kupu 'Aina Corps and the State, Hawaii Green Fee has the potential to create ~1,000 local jobs that are sustainably funded for residents. This opens up long-term, purposeful career paths in the face of a looming recession.

With tourism as a primary economic driver in Hawai'i, investing in the resources visitors come to see will ensure they are left for future generations of residents and tourists. This is an opportunity to bridge the gap between visitors and residents toward protecting Hawai'i. There is a current inequity of visitor investment in the places they impact. For example, Hawaii's tourism industry accounts for 5% of total water usage, yet, water conservation measures are only being imposed on residents, not tourists (Maui County).

With the federal investment from the Inflation Reduction Act (IRA) and Infrastructure, Investment and Jobs Act (IIJA), our State has the potential to access a significant amount of federal funding with a Visitor Impact Fee, since a State must provide matching funds to access these federal dollars. The pool of funding generated from a green fee has the potential to maximize, and double, our impact and investment in jobs, infrastructure, environment, and economic resilience.

Our visitors and residents rely on a healthy environment for their livelihoods and way of life. With increasing impacts of the biodiversity crisis, climate crisis, water crisis, and more, we must invest in solving these local challenges before it is too late.

Hawai'i's total conservation funding gap has been estimated at \$360 million annually. These unfunded programs protect the watersheds that generate our islands' only source of fresh drinking water, the reefs that protect more than \$830 million worth of coastal infrastructure each year and generate \$13.4 million annually in local fisheries benefits, and other critical natural resources that provide priceless economic, recreational, and cultural values to residents and visitors to our islands. The visitor green fee funding priorities we support include:

- Protecting, restoring, and enhancing our natural & cultural resources
- Scaling a green workforce for local residents
- Implementing nature-based solutions to build environmental resilience in the face of increasing impacts

Please support SB304 SD2.

Thank you for your consideration.

Respectfully,

Anne Frederick Executive Director

The Hawai'i Alliance for Progressive Action (HAPA) is a public non-profit organization under Section 501(c)(3) of the Internal Revenue Code. HAPA's mission is to catalyze community empowerment and systemic change towards valuing 'aina (environment) and people ahead of corporate profit.



March 22, 2023

Representative Linda Ichiyama Chair, Committee on Water & Land Representative Mahina Poepoe Vice Chair, Committee on Water & Land

RE: Testimony in Support of SB 304, SD2, HD1 Relating to Visitor Impact Fees

Aloha Chair Ichiyama, Vice Chair Poepoe, and members of the committee,

On behalf of Resources Legacy Fund (RLF), we are writing in support SB 304, SD2, HD1 which establishes a visitor impact fee program within the Department of Land and Natural Resources, through which the department will collect a fee for a license to visit a state park, beach, forest, trail, or other natural area.

Recent polling confirms that:

- 63% of Hawai'i voters support a \$50 per-person annual visitor fee to protect and restore natural and cultural resources impacted by tourism and climate change.
- 88% of voters believe that tourists should pay their fair share to protect and manage natural, cultural, and recreation resources in Hawai'i; and
- 89% agree that Hawai'i should increase its investment in protecting land, water, wildlife and recreational resources.

Voters want to see these funds invested across multiple priorities, including:

- Protecting and restoring coral reefs
- Protecting and preserving beaches and coasts
- Removing and controlling invasive species
- Restoring wetland and coastal areas and reefs that provide protection from floods and sea level rise
- Restoring wetland and coastal areas and reefs that provide wildlife habitat; and
- Protecting and restoring native species

The state has created programs, but to date failed to sufficiently fund these priorities through state management and/or community-based stewardship of these places. Until now, the state has neither provided nor identified adequate funding to protect against the real and increasing impacts of climate change, including increasing flooding, coastal erosion, and sea-level rise. A visitor impact fee offers a net-positive investment solution not only for the environment and the visitors who come to Hawai'i to enjoy it, but for the economy, as well.

We see an imperative to generate sustained and dedicated funding -- at least \$300 million annually – sufficient to meet the needs of our state's natural and cultural resources. Most importantly, we support funding the right mix of natural and cultural resource projects, community stewardship, and a Commission to make funding recommendations to the Board of Land and Natural Resources to help ensure effective implementation of priority programs and projects.

This bill will enable the State of Hawai'i to meet these ongoing and increasing needs and provide a durable funding source that will enable the state to invest hundreds of millions of dollars to protect and restore our natural resources for present and future generations, while creating jobs for Hawai'i residents to care for these resources.

SB 304, SD2, HD1 provides a transformative opportunity to protect Hawai'i's magnificent natural resources for present and future generations. We respectfully urge you to approve this important legislation.

Thank you for the opportunity to provide testimony in support of SB 304, SD2, HD1.

Sincerely, Jocelyn Garovoy Herbert Senior Program Officer, Resources Legacy Fund



TO Interested Parties

FROM Dave Metz, Miranda Everitt, and Denny Han FM3 Research

RE: Hawai'i Voters Support for a Tourism Impact Fee

DATE February 16, 2023

Fairbank, Maslin, Maullin, Metz & Associates (FM3) recently completed a survey of 864 Hawai'i voters to assess views of a proposed \$50 annual visitor fee to fund conservation in the state.ⁱ The results show that Hawai'i voters overwhelmingly agree that visitors should pay their fair share to protect the state's environment. More specifically, <u>three in five support a visitor fee - with broad support across major demographic groups.</u>

Detailed findings are as follows:

• Nearly two-thirds of voters support a \$50 per-person annual visitor fee to protect and restore natural and cultural resources impacted by tourism and climate change. As shown in Figure 1, more than one-third (35%) say they "strongly" support the proposed policy.

Figure 1: Support for a Tourism Impact Fee Proposal

Some people have proposed establishing a \$50 per-person annual fee that visitors would pay to use state and county beaches, parks and trails in Hawai'i. Money raised would be used to protect and restore land, water and wildlife, and cultural resources that are impacted by tourism and climate change in Hawai'i.





Majority support for the proposal cuts across major partisan, geographic, and demographic lines, including:

- 72% of Democrats, 59% of independents, and 51% of Republicans;
- 66% of small-town voters, 64% of rural voters, 63% of city voters, and 60% of suburban voters;
- 61% of Native Hawaiian voters, 66% of Japanese American voters, 66% of Filipino American voters, and 63% of white voters;
- 66% of women and 61% of men; and
- 70% of voters ages 18-49, 60% of voters ages 50-64, and 55% of voters 65 and older.
- Underlying support for this policy is a broadly-shared belief that tourists should help fund conservation. Nine in ten (88%) agree with the statement "Tourists should pay their fair share to protect and manage natural, cultural, and recreation resources in Hawai'i." A similar proportion (89%) agrees in principle that "Hawai'i should increase its investment in protecting land, water, wildlife and recreational resources."
- Voters see a wide range of conservation as high priorities for investment. As shown in Figure 2, more than seven in ten rate a wide range of projects as "very important" targets for investment from a tourism impact fee led by protecting and restoring coral reefs.

Figure 2: Investment Priorities for a Tourism Impact Fee

I am going to read you a list of specific projects and services that could be funded with money from the proposed visitor fee. Please tell me how important each one is to you: extremely important, very important, somewhat important, or not important

| Potential Project | Extremely/ Very Important |
|---|---------------------------------|
| Protecting and restoring coral reefs | 77% |
| Protecting and preserving our beaches and coasts | 77% |
| Removing and controlling invasive species | 76% |
| Restoring wetland and coastal areas and reefs that provide protection against floods and sea-level rise | 74% |
| Restoring wetland and coastal areas and reefs that provide wildlife habitat | 73% |
| Protecting and restoring native species | 73% |

In conclusion, Hawai'i voters want to see increased investment in conservation, and to that end, <u>majorities across</u> <u>partisan and demographic lines support a proposed \$50 annual visitor fee to protect and restore tourism-</u> <u>impacted environmental resources.</u>

ⁱ **Methodology:** From January 8-19, 2023, FM3 completed 864 online and telephone (landline and wireless) interviews with Hawai'i voters. The margin of sampling error for the study is +/-3.5% at the 95% confidence level; margins of error for population subgroups within the sample will be higher. Due to rounding, not all totals will sum to 100%.



Mālama Pūpūkea-Waimea Post Office Box 188 Hale'iwa, HI 96712

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Jenny Yagodich, Director of Educational Programs & Community Outreach

Federal Nonprofit Organization 501(c)(3) FEIN 27-0855937 March 22, 2023

Re: SB304 SD2, HD1 - Visitor Impact Fee

WAL, Wednesday, 03-22-23 9:30AM, House Conference Room 430

Aloha WAL Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee,

Mālama Pūpūkea-Waimea (MPW) is a Hawai'i non-profit organization founded on the North Shore of O'ahu in 2005.

Our mission is "working to replenish and sustain the natural and cultural resources of the Pūpūkea and Waimea ahupua'a for present and future generations through active community stewardship, education, and partnerships."

We strongly support SB304 SD2 HD1, which will be a huge step forward toward mitigating the significant impacts of tourism on our precious cultural and natural resources.

1000% yes!

Mahalo!

Denise Antolini President, Mālama Pūpūkea-Waimea



Testimony of Elemental Excelerator to the WAL Committee in consideration of SB 781 SD2 HD1, March 22, 2023

Dear Chair Ichiyama, Vice Chair Poepoe, and distinguished Members of the Committee on Water and Land:

Elemental Excelerator respectfully submits our **strong support for SB 304 SD2 HD1** (hereafter "SB 304").

Elemental Excelerator is a Honolulu-based non-profit organization that supports climate positive startup companies that help solve Hawai'i's most urgent environmental problems. Each year we select 15-20 companies that advance climate technology and social equity, then fund each company with up to \$1 million in investment and support. To date, we have awarded over \$50 million to 150+ companies, and additionally supported more than 100 new tech demonstration projects right here in Hawai'i & the Asia Pacific.

SB 304 will: 1) establish the Visitor Impact Fee Program within the Department of Land and Natural Resources (DLNR), through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area; 2) establish the Visitor Impact Fee Special Fund; and 3) appropriate funds for the Visitor Impact Fee Strategic Plan and positions for the Visitor Impact Fee Program.

A visitor impact fee will help close the conservation funding gap in Hawai'i, which is estimated to be \$360 million per year. Hawai'i's natural resources are simultaneously economic assets and critical to the identity and well being of our communities. The state, however, has drastically underinvested in maintaining these assets. Hawai'i's 1.4 million residents have been the stewards of the land through cultural practices, environmental protection, education, and taxes. SB 304 would transfer some of the financial responsibility of conservation to the estimated annual 9.7 million visitors, who largely visit the State to experience and enjoy the natural environment. SB 304 will take a step towards creating a regenerative tourism economy for Hawai'i rather than an extractive one, and contribute to increased resilience of our islands.

The United Nations Intergovernmental Panel on Climate Change (IPCC) 2022 report highlights the critical importance of nature based climate solutions in addressing the climate crisis. SB 304 will enable our ocean and forests to serve as better carbon sinks, protect shorelines from coastal erosion and sea level rise, and fund other nature based climate solutions. These must be enacted alongside innovative technologies to decarbonize our economy which Elemental Excelerator is working to advance, together forming a robust response to the climate crisis.

SB 304 is a critical tool to implement equitable climate solutions in Hawai'i and leverage federal funds to help our residents. The federal Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) have the potential to offer hundreds of millions in federal funding to help Hawai'i residents, yielding benefits such as less pollution in communities, protected natural systems, reduced energy and transportation costs, an increase in good jobs, investment in the local economy rather than spending on imported oil, and reducing dangerous greenhouse gas emissions.

Enabling state and local policies are necessary, however, to ensure that these federal funds (especially competitive funds) can be secured and expeditiously deployed in Hawai'i versus flowing to other jurisdictions. Most federal funds under the IIJA and IRA will be distributed over the next five years. We are now in the formative period of this deployment, and it is essential to ensure conditions are set for successful competition and implementation here in Hawai'i. The timing is therefore essential - during this legislative session - to address barriers and to prepare for future rounds of funding. One of the anticipated bottlenecks to maximizing IRA and IIJA federal funding implementation and community benefits is the availability of local matching funds. A green fee program will generate local revenue which could serve as a source of match funding, allowing state and local agencies to apply for the unprecedented amount of federal funding available for climate protection and action.

Elemental Excelerator has helped support dozens of climate tech companies that create solid jobs, transition our economy to 100% clean energy, and accelerate equitable access to zero emission solutions for all residents. However, a robust response to the climate crisis must include technology innovation alongside proven, nature-based climate solutions and environmental protection measures. By passing this bill, Hawai'i can shift the financial responsibility and burden to a better balance between residents and visitors to protect our natural environment.

SB 304 is a key piece of climate and community legislation, and we believe it is critical to pass to ensure we address both the environmental impacts of visitors and climate change happening simultaneously across our islands. **Elemental Excelerator strongly supports the passage of SB 304**, to create a visitor impact fee program for Hawai'i.

Thank you for the opportunity to testify.

SB-304-HD-1

Submitted on: 3/21/2023 9:27:28 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|-----------------------------------|---------------------------|---------------------------|
| Shingayi Masiya | Pacific Whale Foundation (PWF) | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee,

On behalf of Pacific Whale Foundation (PWF), a non-profit with 4,000 members, whose mission is to protect the ocean through science and advocacy and inspire environmental stewardship, stands in **support** of Senate Bill 304, Relating to Visitor Impact Fees. Senate Bill 304 is long overdue and would help to offset tourist and visitor impacts on our natural resources.

Pacific Whale Foundation respectfully asks the committee to take favorable action on SB 304. Mahalo for the opprtunity to provide testimony on thhis measure.



Our Mission: To foster understanding, wonder and respect for Hawaii's marine life.

03/22/2023

COMMITTEE ON WATER & LAND

Dear Chair Ichiyama, Vice Chair Poepoe and Committee Members

Position: Strongly Support SB304 SD2 HD1 with recommendations.

The language on this bill has become more complex with regards to rulemaking and combining voluntary compliance with additional barriers or friction to participate in the program is undermining its effectiveness. We need to find a way to implement a simple, uniform statewide impact/environmental fee along with site specific fees strictly benefitting the communities impacted.

Last Saturday, 03/18/23 a guest visiting our Park wanted to talk to a manager at the end of the day. I was Manager on Duty and responded not knowing the issue. It turned out that he wanted to complain that he was not informed about Kaho'olawe and its history prior to his arriving to Hawaii as he encountered it in our Park and was surprised to learn about this and other conservation and environmental topics we educate and inspire the public about. He also shared that they purchased "Reef Safe" sunscreen prior to departure and now learned that the active ingredients were anything but. He wanted us to educate the public prior to their arrival to Hawaii about these issues. I asked him if he would be open to paying an impact/ environmental fee and he responded absolutely yes as long he could trust that the monies collected actually were used for the purpose indicated. This is a common concern.

Visitors coming to Hawaii will be ok, actually happy, paying the impact/environmental fee and actually would prefer it as long as the funds are used for those purpose. We need to simplify this bill and remove any and all barriers and automate the process. Please remove optional participation and make it mandatory for all visitors.

Aloha,

Tapani Vuori 808.561.2022



<u>SB-304-HD-1</u> Submitted on: 3/17/2023 4:25:41 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|------------------|--------------|---------------------------|---------------------------|
| Andrew Crossland | Individual | Oppose | Written Testimony Only |

Comments:

I oppose this Bill.

<u>SB-304-HD-1</u> Submitted on: 3/17/2023 5:51:17 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| B.A. McClintock | Individual | Support | Written Testimony Only |

Comments:

Please support this bill. Mahalo.

SB-304-HD-1

Submitted on: 3/18/2023 12:09:19 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|------------------|--------------|---------------------------|---------------------------|
| Virginia Tincher | Individual | Support | Written Testimony Only |

Comments:

Members of the House Committee on Water and Land,

I'm testifying in support of SB304 SD2 HD1.

I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

I've seen first hand how effective a green fee can be. When our family visited the Galapagos Islands, we paid \$100 each as a green fee and saw first hand how much can be done to preserve and protect. It is an amazing place to experience. The land and animals were protected and local residents were trained as guides. We learned it wasn't always this way. It took government commitment and contributions from visitors to build a strong culture of preservation and care and a protected environment.

The success of this program must include buy-in from tourists, residents, the tourism industry, and conservation experts, and is contingent upon effective outreach and transparency of the program. We must have a diverse set of stakeholders from relevant sectors contributing to the decision-making process for this level of funding. For this reason, I would like this measure to keep the Environmental Legacy Commission, made up of members from diverse areas of expertise.

Mahalo for the opportunity to testify,

Virginia Tincher, Oahu

SB-304-HD-1

Submitted on: 3/18/2023 6:18:12 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Will Caron | Individual | Support | Written Testimony Only |

Comments:

I support SB304 SD2 HD1, which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for state and community programs working to restore our natural and cultural resources. This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here.

As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. The impacts of tourists on our natural and cultural resources is undeniable. A recent local study confirmed that Hawai'i coral reefs attract visitors which then exacerbate their degradation. This is true for our other resources as well.

As the endangered species capital of the world, as an island with disappearing coastlines to sea level rise, and as a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would generate the needed funding to meet our conservation, sustainability, and climate needs as a region, and provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i.

The success of this program must include buy-in from tourists, residents, the tourism industry, and conservation experts, and is contingent upon effective outreach and transparency of the program. We must have a diverse set of stakeholders from relevant sectors contributing to the decision-making process for this level of funding. For this reason, I would like this measure to keep the Environmental Legacy Commission, made up of members from diverse areas of expertise.

I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

<u>SB-304-HD-1</u> Submitted on: 3/18/2023 9:41:47 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Gerard Silva | Individual | Oppose | Written Testimony Only |

Comments:

You are purposly Chassing away the Visitors and Kill alot of Local Companys!!!

Hawai'i Legislature Senate Committee on Water and Land Wednesday, March 22, 2023, Conference Room 430, 9:30 a.m.

TO: The Honorable Linda Ichiyama, Chair RE: Support of SB304, SD2, HD1, Relating to Visitor Impact Fees

Thank-you for this opportunity to offer testimony in **Support of SB304, SD2, HD1**, Relating to Visitor Impact Fees.

As a resident of one of Oahu's resort communities I witness firsthand the important role of the visitor industry to our economy. Within that framework however, one must evaluate the benefit versus the harm of ever increasing tourists on our fragile ecosystem. Eventually we reach a tipping point at which increased usage of our natural resources is no longer sustainable without something to mitigate the damage.

An impact fee may provide an important tool in this challenge. While we welcome our tourists with Aloha, we must likewise ask them to visit with Aloha. Part of that means paying their share towards maintenance of our beloved land. As outlined in the introduction of the bill, this is not an uncommon practice and has been "successfully implemented in many visitor destinations throughout the world."

In order to maintain the sustainability of our stature as one of the world's greatest destinations, I hope you too will **Support SB304, SD2, HD1.**

Sincerely,

Revin L. Johnson



Coalition Letter in Support of Hawai'i Green Fee Committee on Water and Land Support of SB304 March 19, 2023

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee,

The coalition of organizations and small businesses listed below are writing in **strong support of SB304 with comments**, which would establish a visitor green program for Hawai'i with the following key elements: (1) Charge visitors a \$50 environmental license for the use of state-owned natural and cultural resources, (2) include a significant allocation toward nonprofit and local government implementing partners, and (3) includes a level of expertise and industry leader knowledge to guide the use of funds annual to maximize impact. These three elements will support a robust and effective program that fosters community and cross-sector support.

Our support for SB304 is contingent upon green fee resources being distributed across Hawai'i to support implementation partners and protect our coastlines, reefs, forests, and watersheds throughout our home. This coalition, which works on the frontlines of natural and cultural resource management across the State, applauds the leadership of this committee and introducers of this bill, and urges leadership to consider the crucial need for sustainable, broad-based funding to meet the immense challenges our environment faces, and offset the significant impact left by nearly 10 million visitors every single year. For example, a recent study confirmed that Hawai'i coral reefs attract visitors which then exacerbate their degradation. These resources are invaluable to the livelihoods of our local residents and integral drivers of our statewide economy as well as our visitor industry.

Recent poll results reveal 89% of voters believe we must increase investment in our land, water, wildlife, and natural resources. Hawai'i's total conservation funding gap has been estimated at \$360 million annually. This underinvestment is a liability to future generations and our way of life.

A visitor impact fee program presents an opportunity to finance the protection and restoration of these irreplaceable natural and cultural resources, create hundreds of jobs for local residents, meet the local needs of our home, and secure a healthy environment for future generations. With an estimated 10 million visitors annually, a \$50 per visitor green fee could generate \$500 million in conservation revenue each year.



The following green fee priorities will help our State offset visitor impact: supporting broad funding of our natural and cultural resources, uplifting community groups to implement solutions to offset visitor impacts, and increasing the health and resilience of places trafficked by residents and visitors.

These organizations and businesses support taking care of our environment through a visitor green fee so it can continue to nourish and care for us and future generations:

- 1. Conservation International
- 2. Kanu Hawai'i
- 3. Kua'āina Ulu 'Auamo (KUA)
- 4. Kupu
- 5. Surfrider Foundation Hawai'i
- 6. The Nature Conservancy
- 7. Hawai'i Alliance for Community-Based Economic Development (HACBED)
- 8. Sustainable Coastlines Hawai'i
- 9. Blue Planet Foundation
- 10. Hawai'i Reef and Ocean Coalition
- 11. Hawai'i Forest & Trail
- 12. Trust for Public Land
- 13. Hawai'i Alliance for Progressive Action (HAPA)
- 14. Hawai'i Youth Climate Coalition
- 15. Wastewater Alternatives & Innovations (WAI)
- 16. National Tropical Botanical Garden
- 17. Young Progressives Demanding Action
- 18. The Conservationist Collective
- 19. Pono Hawai'i Initiative
- 20. Wild Kids
- 21. Parley for the Oceans
- 22. Reuse Hawai'i
- 23. Resources Legacy Fund
- 24. Malama Pupukea-Waimea
- 25. Hawai'i Land Trust
- 26. Mālama Learning Center
- 27. Papahānaumokuākea Marine Debris Project



- 28. Kuleana Coral Restoration
- 29. Zero Waste Hawai'i Island
- 30. Travel2Change
- 31. Mālama Maunalua
- 32. Kailua Beach Adventures
- 33. Good Food Movement
- 34. Care About Climate
- 35. Protea Zero Waste Store
- 36. Kailua Beach Adventures
- 37. Agripelago
- 38. Native Ecosystem Services
- 39. Delphi Cinema
- 40. Keep it Simple Honolulu
- 41. North Shore Community Land Trust
- 42. Hawai'i Wildlife Fund
- 43. Kingdom Pathways
- 44. Kokonut Koalition
- 45. Excurinsure
- 46. Kokua Foundation

Mahalo for your commitment to protecting Hawai'i's priceless natural assets, and please reach out with any questions at aloha@hawaiigreenfee.org.

Submitted on: 3/19/2023 8:08:26 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Bret Mossman | Individual | Support | Written Testimony Only |

Comments:

Aloha Chairperson Ichiyama and members of the committee,

Hawai'i is in desperate need of increased funding to natural resource management and conservation. Our primary industry is tourism, but more and more of the natural beauty that people come here to see is being lost year by year. We protect our landscapes from bill boards but not from invasive species. SB304 will help preserve that natural beautily and close key funding gaps necessary to protect our water and native species.

Please vote in favor of this bill.

Bret Nainoa Mossman

Submitted on: 3/19/2023 8:32:10 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| madison kearsey | Individual | Support | Written Testimony Only |

Comments:

I am in support of SB304 because I believe it is our privilege as human beingings to live and visit such a beautiful and fragile ecosystem. We can not just take take take from the abundant resources, but charish what the aina has to offer, and sustainably experience for future generations.

Submitted on: 3/19/2023 9:31:16 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Brittany | Individual | Support | Written Testimony Only |

Comments:

I support this fee. We need to start making positive changes about something that will change the way some tourists see hawaii. I got yelled at just a few days ago for telling a tourists that they had illegal sunscreen that was going to harm the reef. We all need to work together to protect our Aina and our oceans!

SB-304-HD-1

Submitted on: 3/19/2023 9:52:43 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Jon Mitchell | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Jon Mitchell and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. Since moving to the islands last year and establishing community in Kaneohe, we have become supportors (both volunteer time and financial) of the restoriation of fishponds in the area.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. [Insert what resources you would like to see funded ie reefs, forests, endangered species, etc.]

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

I thank you for your time and look forward to the day this initiative becomes law.

Mahalo for the opportunity to testify,

Jonathon W. Mitchell

<u>SB-304-HD-1</u> Submitted on: 3/19/2023 9:54:35 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|------------------|--------------|---------------------------|---------------------------|
| Jennifer Navarra | Individual | Support | Written Testimony Only |

Comments:

Writting in strong support of the measure. Please pass this bill!

<u>SB-304-HD-1</u> Submitted on: 3/19/2023 2:10:49 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-------------------|--------------|---------------------------|---------------------------|
| Sunshine Eckstrom | Individual | Support | Written Testimony Only |

Comments:

Please support a green fee to help offset the impact of tourism on our ecosystems, mahalo!

SB-304-HD-1

Submitted on: 3/19/2023 2:47:03 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------------------|--------------|---------------------------|---------------------------|
| Megan Lamson Leatherman | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Megan Leatherman and I am submitting written testimony in **strong support of SB304** which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I'm a marine biologist and resident of Hawai'i Island and have witnessed firsthand the negative impact from unsustainable levels of tourism.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. I'd love to see funds from the tourism industry used to secure and protect coral reefs, forests and watersheds, each of which is an important ecosystem for our native wildlife.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations, and to DLNR to implement solutions and scale work already being done to preserve Hawai'i throughout the state. I am involved with several nonprofits on island, like Hawai'i Wildlife Fund, Ka 'Ohana O Honu'apo, Moku o Keawe Conservancy, all of which are working to protect natural and cultural resources. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Many thanks for your time, consideration, and for passing this important measure.

Mahalo for the opportunity to testify,

Megan Lamson Leatherman, M.Sc.

Honalo, Hawaiʻi

SB-304-HD-1

Submitted on: 3/20/2023 5:45:09 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Tawn Keeney | Individual | Oppose | Written Testimony Only |

Comments:

Comments:

Testimony on SB304 SD2 HD1before the House Committee on Water and Land: SB304 should be rejected considering the arguments as follows:

The foremost concern is that this bill utilizes the concept of Green Fee or Visitor Impact Fee in a manner that is inconsequential relative to the profound impact that visitation here has upon our environment, by virtue of global warming emissions from air transport of visitors to Hawaii. By targeting our attention and remediation toward visitor impacts on our parks and beaches, trails, etc. we are distracting our attention from understanding that air transport of visitors here accounts for warming somewhere between 1x and 2x the total of all domestic greenhouse gas emissions in the State of Hawaii (excluding aviation). Rephrased, visitors, in coming here, are responsible for a greater degree of global warming than all of Hawaii's domestic population. It therefore can be reasonably argued that visitors, more than Hawaii's own populace, should share in the anticipated costs of adaptation to the impacts of Climate Change. These costs will be measures in many tens, if not hundreds, of billions of dollars. To be speaking of the impacts of visitors on our parks and trails and beaches is of no significance. However SB304 will claim the one mechanism available to demand visitor's participation in our climate change adaptation expenditures, the Green Fee, and divert it toward an insignificant (in comparison) problem.

Let's digress. In 2020 I wrote a white paper which was presented to the Honolulu Climate Change Commission on greenhouse gas emissions from air transport of visitors to Hawaii. The findings were that emissions from visitor air transport accounted for 1-1/2x all of Hawaii's domestic GHG emissions - 18 million tons CO2(e) compared to Hawaii's total net domestic emissions at 13.6 million tons This calculation utilized Hawaii Tourism Authority's reported number of visitors from each of eight global 'regions of origin' of visitors, and assigned an airport representative of each region. It used a GHG Calculator which came closest to the average of eight aviation GHG calculators found on internet Carbon Offset websites. Climate Scientist Charles Fletcher used the phrase "incredibly important data" in commenting on the paper to the Commission. It was recommended to be presented to the State Climate Commission. Subsequently Makena Coffman, Director for the Institute for Sustainability, UHERO Research Fellow & Professor of Urban and Regional Planning elegantly calculated, using the State Greenhouse Gas Inventory, visitor air transport emissions at equal to all Hawaii's net domestic emissions at 13.5 million tons CO2(e). The limitation of this State Inventory method is that it did not include any connecting flights, only the 'leg' into, and from, the Hawaii

airport. (All Hawaii's ground transportation is reported by the Inventory at 4 million tons CO2(e) and all electricity generation at 8 million tons.)

Subsequently the IPCC, in it's 6th Assessment Report (Code Red for Humanity), endorsed as best science a method for calculation of global warming from aviation emissions. Utilizing this method would transform my calculation of warming from visitor air transport to 2x that of all Hawaii's domestic emissions, and Dr. Coffman's calculation to 1-1/2x (without connecting flights).

The impact of visitors on our parks and beaches becomes trivial. It is the global warming impact of visitor air travel emissions that any Green Fee must account for. It is this cost of retreat from the coastlines and restoring our built environment from this impact (unless one might think the cost of climate change will be immeasurable) that visitors should be commensurately responsible for. Do not waste the mechanism of Green Fee in the trivial manner represented by this bill.

The Green Fee which I propose is a fee of \$20 per night attached to the Transient Accommodations Tax for each visitor. Thus, for a 10 night stay, a \$200 fee. The HTA states that the average visitor spends \$1800 on their trip to Hawaii. Few will be dissuaded from coming by this fee. However, each year or two the amount of this nightly fee will be increased or decreased by up to \$5/night after assessment by the 20 member, high level, State Climate Commission (both legislative and execuive branch membership). The HTA has endorsed strategy for decreasing the numbers of 'low-budget' travelers. A progressive fee increase would accomplish that plan and at the same time realize high revenues. Eventual 'trade-off' would be carefully considered by the Commission.

Do not waste the sole mechanism, Green Fee, for engaging visitor participation in the anticipated immense costs of climate adaptation, which more than ourselves, they are responsible for by air travel here. Do not support SB304 as is, but rather reconstruct the concept of Green Fee as described above. This bill, as is, does great damage to the potential of 'green fee'. If this bill is to be passed it must be amended such that each year or two the State Climate Commission will reconsider and make recommendations of the amount of green fee to be charged to visitors.

Mahalo for your consideration, Tawn Keeney MD

Submitted on: 3/20/2023 7:31:51 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------|--------------|---------------------------|---------------------------|
| Debra M Javar | Individual | Support | Written Testimony Only |

Comments:

I fully SUPPORT of a visitor impact fee. Too many tourist are destroying our precious natural environment. They make it difficult for the Native Hawaiian people to engage in their cultural activities ie gathering limu and fishing. Mahalo for your kokua.

Submitted on: 3/20/2023 7:44:00 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-------------------|--------------|---------------------------|---------------------------|
| Kimberly De Souza | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

I am testifying in **strong support of SB304** which is a much needed measure to offset tourist and visitor impacts, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources on our 'aina through a green fee program.

My name is Kimberly De Souza, I live in Kailua Kona on Hawai'i island and, especially over the past 10 years, I have seen coral reefs and natural ecosystems degraded by tourists who are happy to visit but don't seem to need to worry about the reprecussions of their actions after they leave. I am taking the time to support this bill as I feel very strongly about how necessary it is for the future of our islands.

Working in the conservation sector, it is evident that there is an extreme lack of funding for conservation and cultural programs (not just in Hawai'i but the entire world). Conservation groups are struggling to combat so many factors which are constantly threatening our native ecosystems on land and in the sea. A large part of these factors is tourism and while it is understandable that Hawai'i's economy relies heavily on tourism, it is inevitable that the public's perception of tourists is that of carelessness, it is easy to view tourists as people who come, take, and leave. This green fee will not only help change the public's perspectives about tourists but will also help to bolster and support conservation efforts across the state by providing the much needed additional funding.

This has become an increasingly important issue in Hawai'i which is already known as the extinction capital of the world and with sea level rise affecting our disappearing coastlines, we are going to need help in order to begin the much needed restoration of our home.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, experience, and enjoy during their time here. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. The impacts of tourists on our natural and cultural resources is undeniable.

This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations, and beyond. This fee has been needed for many years now and I am extremely happy to see that it is finally being

proposed and I am hoping it will pass unanimously. On top of that, it has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources.

I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

Mahalo nui loa for the opportunity to testify,

Kimberly De Souza

Submitted on: 3/20/2023 7:57:52 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------|--------------|---------------------------|---------------------------|
| Miwa Tamanaha | Individual | Support | Written Testimony Only |

Comments:

Aloha e Committee Members,

Mahalo for the opportunity to express support for SB304, which creates a Visitor Impact Fee Program -- creating a mechanism for raising needed resources to steward Hawai'i lands and waters in the context of the pressing and complex challeges ahead.

me ka ha'aha'a,

Miwa Tamanaha

SB-304-HD-1

Submitted on: 3/20/2023 8:46:11 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Alex Filardo | Individual | Support | Written Testimony Only |

Comments:

As a Hawai'i Resident, I support a visitor fee that goes back to our environment. I believe this funding should be used for things such as habitat restoration, increased enforcement and monitoring of our natural resources, and an opportunity for environmental community groups to apply for funding, since they work on the front lines of conservation.
<u>SB-304-HD-1</u>

Submitted on: 3/20/2023 8:47:38 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------|--------------|---------------------------|---------------------------|
| Paul Bernstein | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama and Members of the WAL Committee:

I'm writing in support of SB304. Please help visitors pay their fair share for using our State resources.

Respectfully,

Paul Bernstein

<u>SB-304-HD-1</u> Submitted on: 3/20/2023 9:02:45 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| Shannon Rudolph | Individual | Support | Written Testimony Only |

Comments:

Support

<u>SB-304-HD-1</u>

Submitted on: 3/20/2023 10:47:17 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Daniel Amato | Individual | Support | Written Testimony Only |

Comments:

To: Members of the WAL committee

From: Daniel Amato, PhD

Re: SB304

Hearing: March 22, 2023, 9:30am

Aloha Members of the WAL:

As a research scientist and a water quality professional, I strongly support SB304. Visitors to Hawaii have a major impact on the resources of these islands. I feel that visitors should be required to support these resources so they may be maintained appropriately and not abused. Please support SB304 in your committee. Mahalo -Dr. Daniel Amato

<u>SB-304-HD-1</u> Submitted on: 3/20/2023 1:06:55 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| Charlie Quesnel | Individual | Support | Written Testimony Only |

Comments:

loha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Charlie and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I am a longtime resident of the island of Maui, and a lifelong surfer, and want to help preserve the great beaches and surf spots that are here for so many to enjoy and have fun it.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. It would help fund the preservation of our beautiful beaches and coastal waterways as well the endangered reefs.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to

preserve Hawai'i throughout the state. [Option to include why you support any nonprofits you personally volunteer with, or believe in.] I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Again, I would just say that ibl will go along way towards helping to preserve our precious and fragile island-state environment and a way to provide those that wish to come visit us with a vested interest for coming back again.

Mahalo for the opportunity to testify,

Charlie Quesnel

The Market Implications of Establishing a Visitor Green Fee System in Hawai'i Introduction

Each year, Hawai'i's ocean, coastal, and terrestrial ecosystems provide billions of dollars in value to the economy from residents and visitors alike. Therefore, natural resources play a significant role in attracting millions of visitors annually (von Saltza, 2019). However, Hawai'i invests less than 1% of its annual revenue into maintaining its natural resources. It is estimated that an additional \$360 million annually would need to be added exclusively to conserve the state's natural resources (von Saltza, 2019).

One alternative solution to raising money and reduce the \$360 million annual deficiency is implementing a visitor green fee system. Visitor green fees are payments made by visitors to the local government to support conservation and natural resource management (Repetto, Dower, Jenkins, and Geogehegan, 1992). Places like Palau, New Zealand, Bhutan, and others have used visitor green fees due to visitor impact on critical ecosystems (von Saltza, 2019). An analysis by Fitzpatrick (2018) determined that a contribution of \$38.50 per visitor would cover Hawai'i's estimated annual conservation expenditure. Hawai'i is pushing legislation to implement a visitor green fee through transient accommodations. If passed, Senate Bill (S.B.) 304 (2023) would establish a ten-year pilot program of charging a green fee for a license to visit a state park, forest, hiking trail, or another state natural area. S.B. 304 was introduced to accumulate necessary State funding to preserve the ecosystems and biocultural resources of Hawai'i, which are constantly impacted and used by the visitor industry. The fee would be collected and stored in the Visitor Impact Fee Special Fund, which could be invested to advance the Aloha+ Challenge Natural Resource Management Target, form a public-private advisory committee, and create future

conservation jobs. This paper will discuss the tourism market implications of establishing a new visitor green fee system using the Transient Accommodation Tax (TAT) and the feasibility of creating the first such a system in the United States. Lastly, this paper will evaluate another option of reallocating funds generated from the TAT to address the \$360 million budget shortfall.

The Current Tax System

In the United States, the federal government relies mainly on personal and corporate income and payroll taxes. State and local governments further impose sales, excise, and property taxes (Repetto et al., 1992). Despite the continual rising taxes, the United States still deals with various systematic issues, including poor quality of education, the high cost and access to health care, deteriorating public infrastructure, and diminishing natural resources (Repetto et al., 1992). As a result, many citizens in the United States are discouraged by the current tax system because they are not receiving meaningful benefits for their tax dollars (Repetto et al., 1992). Repetto et al. (1992) recommend the use of green fees. Green fees shift from taxing activities that are encouraged to discouraged activities such as pollution, waste, and congestion. The current tax system is driven mainly by taxing activities that make the economy productive and, at the same time, diminishes the environment. Instead, the implementation of green fees can create a system to encourage economic productivity through environmental conservation and protection (Repetto et al., 1992). Many states and local municipalities in the United States have accepted green fees (Repetto et al., 1992) and other countries around the globe (von Saltza, 2019).

Meanwhile, in Hawai'i, the general excise tax, individual and corporate income tax, the TAT, and property tax makeup 85% of the state and local revenue. Other taxes, including fuel tax, motor vehicle taxes, insurance premiums tax, unemployment tax, alcohol tax, tobacco tax, and others, make up the other 15% of state collection (*Figure 1*). The majority of taxes are levied

on consumption, thirty-four percent of the taxes are levied on income, and a tiny percentage is levied on wealth.





Source: Colby (2017)

The State of Hawai'i receives the highest percentage of state and local revenue in the country at 76.8% (*Figure 2*). Due to the high concentration of revenue collection, the State finances many public services. For instance, the State provides 100% of funding towards primary and secondary education. In comparison to other states, Hawai'i collects more revenue from general sales taxes (38%) and other taxes (22%) and collects less revenue from property taxes (17%), individual income tax (21%), and corporate income tax (2%). Special programs are created through certain taxes like the fuel tax is directed towards road construction and maintenance, and the unemployment tax revenue is budgeted towards unemployment insurance. Other taxes, such as the alcohol and tobacco tax, are meant to discourage specific types of behavior while raising revenue. Lastly, property taxes are administered in the State of Hawai'i due to a constitutional mandate (Colby, 2017).

This paper is specifically interested in the TAT. The TAT is the third-largest source of tax revenue. The TAT has proliferated in recent years due to rising room rates, a more significant number of rented-out rooms, and a rate increase in 2009 and 2010 (Colby, 2017). The TAT is imposed on the gross rental proceeds from a transient accommodation, on the fair market rental value of a timeshare vacation unit, and on the gross recipients of brokers, travel agents, and tour packagers arranging accommodations at noncommissioned contracted rates (Department of Taxation, 2020). A transient accommodation is a room, apartment, house, condominium, beach house, hotel room, suite, or other similar living accommodations rented to a transient person for less than 180 consecutive days (Department of Taxation, 2020). Department of Taxation (2020) describes a transient person as a person who is temporarily renting out a transient accommodation but has a permanent residence somewhere. The gross rental proceeds are the amounts in cash, goods, or services received for renting or furnishing a transient accommodation without any deductions for costs (Department of Taxation, 2020). Gross rental proceeds do not include charges for guest amenities. Still, they have fees such as maintenance fees, cleaning fees, management fees, and resort fees charged separately to guests and tenants (Department of Taxation, 2020).



Figure 2: Total State Revenue Comparison

Source: Colby (2017)

Hawai'i's TAT rate has nearly doubled since 1986 and the current rate is 10.25% (*Figure 3*) (Department of Taxation, 2020). O'ahu generates the most TAT revenue at 47.6%, followed by Maui (31%), Hawai'i island (12.2%), and Kaua'i (9.2%) (Colby, 2017). In 2017, TAT revenue totaled \$527 million (Colby, 2017). All the counties received \$93 million from TAT funds, in which Honolulu received 44.1%, Maui received 22.8%, Hawai'i received 18.6%, and Kaua'i received 14.5% (Colby, 2017). Meanwhile, a Tourism Special Fund received \$82 million, the Convention Center Enterprise Special Fund received \$25.6 million, the Department of Land and Natural Resources received \$3 million, the Turtle Bay Conservation Fund received \$2 million, and the remaining \$322.1 million goes to the General Fund (Colby, 2017) (*Figure 4*).



Figure 3: TAT Collections and Rates from 1987 to 2015

Source: Department of Taxation (2020)

Colby (2017) stated that increases in TAT rates do not adversely affect visitor arrivals or spending at the current rates. The TAT rates have increased three times in 1999, 2010, and 2011, and visitor arrivals have increased after each rate increase, which indicates that the demand to visit Hawai'i's natural topography and culture is far more significant than the costs involved. Colby (2017) stated that the TAT performs well in economic efficiency, fairness, and administrative burden. The TAT has the advantage of being primarily driven by non-resident visitors and does not directly target residents in low-income households. The TAT also offers relatively low compliance and administrative costs by the State government. The key risk of the TAT is that the TAT revenue is more volatile than the general excise tax and is sensitive to economic downturns as evidenced by the COVID-19 pandemic.



Figure 4: The Division of the TAT Revenue in 2018

Source: Colby (2017)

Visitor Green Fee Systems

Given Hawai'i's current tax system and the breakdown of the TAT revenue, there is high potential in suggesting implementing a visitor green fee system. Von Saltza (2019) reviewed 14 national and subnational green fee systems to understand different models and approaches better to create a green fee program in Hawai'i. Green fees may also be referred to as eco-taxes, tourist taxes, green tax, environmental levies, conservation and tourism levies, and entry fees. Green fees are assessed at hotels, ports of entry, airfare purchases, and electronic platforms. Also, green fees may be priced as a one-time entrance fee or on a per day/per night basis. For instance, Bhutan's system requires visitors to go through a mandatory travel agency to pay a \$200 to \$250 green fee per day, and, in Venice, Italy, visitors produce a one-time tourist tax of \$11.

One example of a successful green fee system is Palau's "Pristine Paradise Environmental Fee". On a much smaller scale, Palau attracts hundreds of thousands of visitors each year to many of the same features as Hawai'i. Palau's green fee system was created to support conservation and the effective management of natural resources. In 2015, Palau

established the Palau National Marine Sanctuary, which protects 500,000 square kilometers of marine water. To finance the marine sanctuary, an US\$100 fee is incorporated into all international airline tickets to Palau. In addition, visitors are not issued a visa until they sign a pledge promising to respect the environment and culture of Palau. The pledge makes Palau the first nation in the world to have an immigration policy that promotes conserving the country's environment. Palau's scuba diving industry alone generates \$90 million. In addition to the green fee, an extra \$10 million would be generated for every hundred thousand visitors. Palau's green fee revenue is separated into different entities. \$10 of each \$100 is allocated to the Fisheries Protection Fund, which funds the Palau National Marine Sanctuary and the laws related to it, administer activities related to the enforcement of the sanctuary, and promote eco-tourism. \$12.50 is divided among the state governments, \$25 funds the maintenance and improvements of the Palau International Airport, \$22.50 is allocated to the National Treasury, and the last \$30 is managed by the Protected Areas Network, a non-profit organization to act as a financial trustee (von Saltza, 2019).

In the United States, there is no mandatory visitor green fee system that exists. There are constitutional clauses that prevent states from enacting laws that discriminate against foreigners or U.S. non-residents. Three U.S. constitutional provisions and one U.S. federal statute restricts U.S. states from implementing visitor-only fees or assessing fees at airports: The Privileges and Immunities Clause, Article IV, Section 2, Clause 1; the Dormant Commerce Clause, Article 1, Section 8, Clause 3; and the Equal Protection Clause of the 14th Amendment. Given the legal challenges, states have explored alternatives to financing conservation efforts through special taxes and fees, green bonds, carbon pricing programs, and carbon offset programs.

In Hawai'i's case, imposing an additional tax places an extra burden on residents and visitors and will most likely not be pursued. Also, using green bonds to fund conservation goals would be very beneficial if there was a consistent repayment mechanism, such as a visitor green fee. Lastly, carbon offset programs are more attractive than carbon pricing programs in Hawai'i since the State aims to reach carbon neutrality by 2045 (von Saltza, 2019).

Capturing and Managing a Green Fee in Hawai'i

Current legal understandings through the U.S. Constitution prevent Hawai'i from assessing a green fee at airports, on the sale of airfare, or imposing a fee on non-residents. Therefore, S.B. 304 (2023) creates a pathway that sets a green fee that does not necessarily exclude residents but instead captures most revenue from visitors. Imposing a fee, rather than a tax, stops the additional burden on accommodations who are already required to assess the TAT and the general excise tax.

A green fee of \$40 per visitor in a transient accommodation will not likely make a significant difference in the stay's total pre-tax cost. For instance, if the typical visit for a couple in Hawai'i is between seven to 10 days with a room that costs \$100 a night, the green fee would range from seven to 10 percent of the pre-tax room costs. If the couple chooses to upgrade to a luxury room costing \$400 a night, the green fee will represent less than two percent (von Saltza, 2019). In addition, this paper suggests that the implementation of a visitor green fee system will not impact visitor arrivals and spending. Similar to the TAT rate increases over time, the benefits of traveling to Hawai'i are far greater than the costs associated with having to pay a visitor green fee. Hawai'i currently does not have a cap on outside visitors, which is beneficial in administering the green fee to maximize revenue, but detrimental to the external pressure on natural resources.

S.B. 304 can be revised to administer a green fee system for TATs that does not drastically increase the total pre-tax cost of a guest in transient accommodations. A standard that the State could follow is to administer the fee when the total pre-tax cost of the transient accommodation exceeds greater or equal to 90 percent of the cost of the green fee per person. This specific standard target guests who tend to stay longer than in a transient accommodation, e.g., approximately a week or more. This standard would still capture a majority of revenue from outside visitors as the typical stay from visitors is between seven to 10 days. In addition, the State of Hawai'i could launch a green visitor electronic platform that educates visitors and residents on environmental issues and respectable tourist practices. The platform could have payment options to pay the green fee and show how the green fee revenue benefits the visitor and the environment. Like Palau and New Zealand, the electronic platform could be accessible on smartphones, kiosks, and Ipads.

Alternative Solutions

One alternative solution that strays away from establishing a visitor green fee system is the amending of an existing policy that already captures mandatory conservation revenue from visitors, the TAT. As described below, less than one percent of the total TAT revenues in 2018 were allocated towards conservation efforts (Colby, 2017). Also, increasing the TAT did not influence visitor arrivals (Colby, 2017). By re-allocating or conditioning the TAT revenue to be a more consistent source of conservation finance, other smaller solutions could be introduced and sought out to help the State of Hawai'i reach the \$360 million budget deficit. Unfortunately, there has been a history of failed attempts to reallocate TAT funding towards conservation. However, no measures to condition funding to environmental criteria exist, which is a possible pathway in the future (von Saltza, 2019).

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Submitted on: 3/20/2023 6:31:11 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------------|--------------|---------------------------|---------------------------|
| Lorraine Waianuhea | Individual | Support | Written Testimony Only |

Comments:

Testimony in Support of SB304 House Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee, My name is Lorraine Waianuhea and I am submitting written testimony in **strong support** of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State.

I am a resident of O'ahu and have seen the destruction of Hawai'i's natural areas due to overuse and insufficient maintenance first hand. Damage to our trails, reefs and forests is not sustainable for residents or visitors, although I believe that visitors account for a large proportion of foot traffic and impact to these areas. As users of our natural resources, tourists should be required to give back to the management of those resources through a green fee program.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them.

We currently face the extinctions of endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. Currently, non-profits on O'ahu such as Protect and Preserve Hawai'i, 808 Cleanups, and Mālama Maunalua must in a way compete against each other for winning grants from the State, even though they all are mālama 'āina organizations. A green fee would not change this funding structure but it would greatly increase the amount of funding available and allow more non-profits to continue the important work they do for our

community. The money from a green fee should also fund more permanent jobs in trail maintenance, so that trails in Hawai'i can be made safer to reduce the number of injuries, rescues, and deaths that occur.

I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify, Lorraine Waianuhea

Submitted on: 3/20/2023 7:24:44 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Ryan Chang | Individual | Support | Written Testimony Only |

Comments:

Testimony in Support of SB304

House Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Ryan Chang and I am submitting written testimony in **strong support of SB304** which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I currently reside in Kapahulu on the island of O'ahu. I believe that too long our resources, both mauka and makai have been abused by visitors. We can see it everyday on the trails and on the ocean. I believe that some of the responsibility for the use of these resources can be offset by a green fee.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. I personally would like to see both mauka and makai resources that visitors use be funded with this.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in

immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. Currently I volunteer with a number of different organizations such as Protect and Preserve Hawai'i, 808 Cleanups, and DLNR. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Ryan Chang

Submitted on: 3/20/2023 8:10:12 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Samuel Wolff | Individual | Support | Written Testimony Only |

Comments:

Please pass this bill and let's finally start giving conservation in Hawaii the funding it so desperately needs. We are the endangered species capital of the world yet we certainly don't act like it. The fact this is funded by tourists makes this beneficial for them and will attract higher spending tourists too. People do not travel to Hawaii to see invasive plants like haole koa and kiawe they come to see natural beauty found nowhere else in the world that will best be displayed with native animals and plants returning to the spaces they occupied for millennia.

Please pass this bill. This will be your legacy and a legislator and you will be proud of it.

Submitted on: 3/20/2023 8:19:18 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Aaron Magee | Individual | Support | Written Testimony Only |

Comments:

Testimony in Support of SB304

House Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Aaron Magee and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I was born and raised on Oahu, Hawaii and at 14 years old moved away to the mainland and realized how fortunate I had been to grow up in Hawaii. Four years later when I returned home, I noticed the change that had happened to the island and the ecosystems. I noticed increased litter, destruction of forests, hiking trails, corals and reefs, as well as an abundance of people visiting locations that were once respected, protected, and infrequently visited. A visitor fee could provide necessary awareness and funding to the groups making an impact in our state. More than finances, this measure shows a committment to change, progressive ideas, and community. [Insert personal testimony including your name, what island/ area of the island you are from, why this issue is important to you, and why you took time to support this measure.]

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. [I would like to see funds allocated to protecting our oceans through no-catch fishing zones, debris removal, and increased environmnetal education funding.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. [Option to include why you support any nonprofits you personally volunteer with, or believe in.] I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Thank you for reading and I am excited by the possibility of new ideas uplifting our communities as an example of what is possible for the world.

Mahalo for the opportunity to testify,

Aaron Magee

<u>SB-304-HD-1</u> Submitted on: 3/20/2023 9:41:08 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------|--------------|---------------------------|---------------------------|
| Leila Morrison | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Leila Morrison and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I'm from the island of Hawai'i, and have grown up in Kona and Waimea seeing the significant impact of visitors on precious resources including reefs, beaches, hiking trails, and many other beloved places that hold ecological and cultural significance as nearly every place in Hawai'i does. This fee will be a good step toward funding better stewardship of 'āina for the benefit of current and future generations of people from and of Hawai'i. This stewardship is the responsibility of everyone who lives here or enjoy these places even for a short time. This fee will be a small way for visitors to do their part to care for Hawai'i.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. [Insert what resources you would like to see funded ie reefs, forests, endangered species, etc.]

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal

community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. There are many great organizations in Hawai'i including so many community build and supported non-profits and conservation groups that desperately need additional funding to continue to protect and care for our home. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Leila Morrison

Submitted on: 3/20/2023 9:44:29 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|-----------|
| Doorae Shin | Individual | Support | In Person |

Comments:

Aloha,

My name is Doorae Shin and I am the community organizer for the Hawai'i Green Fee coalition. I am testifying in **strong support of SB304.**

After working with this coalition of organizations and community members for the last couple of years, it has become clear that now is the time for the Hawai'i Green Fee. We have the backing of the Governor, who campaigned on creating a visitor impact fee, and we have worked with dozens of community organizations, spoken to dozens of legislators, and polled the community about their support for this concept. The support is widespread and the need to act is urgent.

We are now facing impacts of the climate crisis, where Hawai'i's ecosystems, economy, and communities face severe vulnerabilities. From natural disasters to coastal erosion and loss of biodiversity, Hawai'i needs to be prepared and work hard to restore, maintain, and preserve our natural and cultural resources. As one of the leading visitor destinations in the world, our special places, including our trails, beaches, parks, and more, need financial resources to ensure they are being taken care of and preserved for this and future generations.

I am happy to take questions about our efforts to pass the Hawai'i Green Fee, and we thank you for considering this bill.

Mahalo, Doorae Shin

Submitted on: 3/20/2023 10:14:24 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|-----------------|--------------|---------------------------|---------------------------|
| Kellie Takamori | Individual | Support | Written Testimony Only |

Comments:

Testimony in Support of SB304

House Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Kellie Takamori and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I'm 33 years old, from Mililani, HI on Oahu, and have spent the last 2 years volunteering with Protect and Preserve Hawaii along with many other conservation organizations to learn about Hawaii's precious native ecosystems. I've spent many years before that, spending my free time outdoors mostly hiking and wish I knew better ways to help malama aina. This bill will help ensure that many people after me will be able to enjoy all the things I love about Hawaii while also providing resources to show that this is a priority for all of Hawaii, visitors included.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. I would love to see more resources spent on conservation and restoration efforts from mauka with OISC, KMWP, DOFAW, etc to makai with organizations like Malama Maunalua and UH to help strengthen and restore our coral reefs.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Thank you for showing Hawaii that we care about Hawaii. We need this bill to now show and model to visitors how to care for Hawaii.

Mahalo for the opportunity to testify,

Kellie Takamori

Testimony in Support of S.B. 304, S.D. 2, H.D. 1 House Committee on Water and Land Wednesday, March 22, 2023 at 9:30 a.m.

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Katerina Im and I am submitting written testimony in **strong support of S.B. 304**, **S.D. 2**, **H.D. 1** which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources **across the State**.

I am a Hawaii Green Fee Youth Ambassador. As a senior in high school who has lived on 'Oahu my entire life, I have seen the changes in our natural landscapes and the impact of people on the environment. I rarely visit Waikiki, unless I am going surfing, but during lockdown in 2020, I frequented Waikiki beach. I enjoyed the clean beaches and the water that felt clean without a film of sunscreen on the surface. Now my trips to Waikiki include a difficult trek with my board through a maze of people and frequent stops to pick up trash. I strongly support S.B. 304, S.D. 2, H.D. 1 because I believe that while tourists do help to sustain our economy in Hawaii, they are having a significant negative impact on our environment and should have some accountability towards preserving it.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. S.B. 304, S.D. 2, H.D. 1 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. I hope that more funding is allocated towards the protection of our reefs because not only does this natural resource draw visitors to the islands and provide income for Hawaii's people, cultural significance for native Hawaiians, and protection from tsunamis, but they are also essential for protecting marine biodiversity. Working together, marine organisms interacting with their natural habitat allow the ocean to thrive, and the ocean is a key component in slowing down climate change. By investing in our oceans, we invest in the entire world, and our future.

We currently face endangered species, disappearing coastlines, and dying coral reefs. S.B. 304, S.D. 2, H.D. 1 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. As a volunteer with nonprofit organizations like Kokua Hawaii and Parley that promote environmental awareness and protection, I recognize greater resources must be focused on our environment needs, especially in Hawaii. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Thank you for your time and consideration, and I hope that S.B. 304, S.D. 2, H.D. 1 is able to pass the House because of the positive impact it will have on Hawaii's landscape and environment now and for future generations.

Mahalo for the opportunity to testify, Katerina Im

Submitted on: 3/20/2023 10:52:20 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Phillip Kapu | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice chair Poepoe, and Honorable Members of the Committee,

I am writing testimony in **strong support of SB304**. The impact visitors have on the ecology of hawaii cannot be measured in a dollar amount. An island has finite resources and the natural areas are impacted mostly if not only negatively by the barage of people coming to hawaii to hike or go to the beach. With an ongoing water crisis, the doubling of our population every couple of months with visitors, leaves less water for locals in this trying time. Anything that will bring help to our forests, which gather our water, is a small step in the right direction. The fee assures visitors who only come here to take and indulge, will have no choice but to give back somehow. Tourists come here to see the beauty of hawaii but conservation organizations who try to perpetuate and keep that beauty beg for a piece of a small pool of money. There are less than 5 full time staff trying to stop little fire ant (LFA). There will be no visitors coming to hawaii when that spreads through out the island of oahu. There will be no coconut trees or palm trees or kalo because we can't find enough funding for the Coconut rhinoceros beetle team. When we lose these things we will lose our culture that go with them and there is no dollar amount that can fix that. We need this fee and funding years ago. But better late than never.

Mahalo, Phillip Kapu

Submitted on: 3/20/2023 11:07:52 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|----------------------|
| Elijah Ebert | Individual | Support | Remotely Via Zoom |

Comments:

Testimony in Support of SB304

House Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe, and Honorable Members of the Committee,

My name is Elijah Ebert and I am a university student and resident here in Hawaii. I live in La'ie on the north side of Oahu and I testify in strong support of SB-304.

Up in Laie, local kupuna speak of the hukilau festival where large quantities of fish would be pulled out of the ocean and shared between the community and visitors there to experience the islands. I free dive frequently in these waters closest to my home and have seen that the reefs are a shadow of what they used to be. Everything from dead coral to hooks embedded in turtles is a regular sight. These are inevitable effects of human presence and activity, but I know we can curb or even reverse the trajectory of this path.

So much good is already happening to protect this beautiful state's oceans, forests, reefs, and wildlife. We can and must build upon this foundation and give the land what it needs to regenerate back into the even more abundant land it used to be. We have the strength, passion, organization, and creativity to make this happen. SB-304 outlines the best way to generate the funds.

As a tour guide and guest services department supervisor I spend many hours a week with those that come to our Hawaii. They are good people with willing hearts and enthusiasm to leave Hawaii better than it was when they came. If done right, with the proper spirit, the visitor environmental license will not only provide funding to the DLNR and non-profit organizations but educate and uplift all involved.

I wish to emphasize the importance of two things with regards to this bill.

One, it is so important that these funds are properly used. There should be a board of diverse stakeholders that take part in the fund allocation process.

Two, these funds cannot be confined to state parks. They must be available to restore all areas of Hawaii. Otherwise, we will find ourselves with pockets of beauty while the reefs, forests, and

wildlife in our communities waste away. There are so many incredible organizations doing so much. If we can support them with many times the funding they currently have, the impact could be enormous.

Once we help the ecosystem recover, it will regenerate and replenish on it's own. It's capacity to give to us, our visitors, and our children will increase. We can then live our lives with pride knowing that we were good stewards of these lands and seas that we love.

With love and appreciation for the work done thus far,

Sincerely,

Elijah James Ebert

Submitted on: 3/20/2023 11:15:38 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Aimee Sato | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

I am fed by the spring of Palikea and the rains of Pō'aihale. My mountain is Ko'olau. My name is Aimee Sato and I was born and raised in Hawai'i, and will die here. I ask you...can you name your water and your mountain?

I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I have a M.S. degree in Botany with a focus on biocultural restoration of Hawaiian dry forests. My life work is in training conservationists and scientists in Hawai'i lifeways so that they can be become stewards of this special place.

Through my unique work I have come to realize that everyone has a relationship with what the western world calls "nature", including Hawaiians, non-Hawaiians, conservationists, non-conservationists, scientists, non-scientists, even YOU who may be behind the desk in front of a screen that shows this testimony. Sometimes, we just forget these relationships and we forget what is important. We forget our stories. It is our duty to remind people, especially visitors, who can come enjoy, and leave, that these stories are worthy and the reason that this place is so beautiful.

The other day I heard a story from my friend in Kahalu'u. Her grandmother was visiting from Hilo and was so excited to see puakenikeni in the yard. Tears fell down her smile as she picked puakenikeni flowers and strung a lei for the first time in years. In Hilo it is no longer possible for the grandma to even touch her puakenikeni trees. Why? Because little fire ants will fall onto her and cause burning welts. Little fire ants have taken over Hawai'i Island, and already beginning to change the stories of 'ohana. There is NO PRICE we can place on these impacts. But do you know how much importance is placed on little fire ants in Hawai'i? The last I checked there was only 2, maybe 3 staff dedicated to controlling these ants statewide. We will lose the battle without more funding and attention. Every tree, every yard, every beach, every forest will have fire ants and other invasive species if we do not take action today. This is not just an issue for conservationists. It will impact everyone.

We cannot continue to ignore conservation issues and keep bringing plane loads of tourists to Hawai'i. There will be no paradise. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here.

We currently face endangered species, disappearing coastlines, and dying coral reefs. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources before it's too late.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations, DLNR, UH Mānoa, Hawai'i Invasive Species Council, to implement solutions and scale work already being done to preserve Hawai'i throughout the state. Organizations that work with invasive species control and management, outplanting, and provides outreach and 'āina education for communities and visitors should take priority in receiving funding. I urge the committee to pass a visitor green fee program this session, in order to begin the needed restoration for our home as soon as possible.

There is undeniable support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Aimee Sato

Submitted on: 3/21/2023 9:04:30 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|------------------|--------------|---------------------------|---------------------------|
| Catherine Orlans | Individual | Oppose | Written Testimony Only |

Comments:

Under Hawai'i law, the State and its agencies are obligated to preserve and protect the exercise of traditional and customary Native Hawaiian rights. This license definition include no exemptions for visitors that are of Native Hawaiian ancestry. If this bill passes without such exemption, the state will be failing to protect Native Hawaiian rights and can avoid that simply by adding in an exemption for visitors with Native Hawaiian ancestry. Opposing this bill as is, will support if exemption added.

Testimony in Support of SB304 Committee on Water and Land

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee

My name is Dr. Jack Kittinger, and I am testifying as an individual in strong support of SB304, which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to conserve and restore our precious natural and cultural resources.

Recent polling indicates that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources.

I have personally spear-headed an initiative focused on establishing a visitor green fee here in Hawai'i for more than 5 years. Working with a set of partners from the conservation and tourism sectors, we have assessed the key policy, legal, and financing elements for a Hawai'ibased visitor green fee program, helping inform proposals in this bill and others like it. **SB304 would establish a comprehensive visitor impact fee program that increases our conservation funding to offset visitor impacts and preserves our natural resources for future generations.** Further, the bill can enable our resource managers in DLNR and other agencies, to work together with community leaders and nonprofit organizations, to scale the important work we must do to meet the challenges of our "twin" biodiversity and climate crises, saving our beaches, coral reefs, forests and other natural areas vital to our survival.

Through my work as a conservation professional for over 15 years, I've had the privilege to observe visitor green fee programs in other areas of the world. The success of these programs, including the support of the visitor themselves, is contigent on stakeholder engagement and transparency in order to foster trust and accountability. We must have a diverse set of stakeholders from relevant sectors benefiting from this program. For this reason, I support the inclusion of a community grant-making program as part of this policy. While DLNR plays the most important role in stewarding our resources, granting to frontline, community-based groups is a vital way to ensure that a broad constituency of stakeholders can use these funds for maximum impact in offsetting the impacts of visitors in their local geographies. Ensuring the inclusion of a community grant-making program will have the added benefit of creating green jobs in our communities.

I want to thank the committee for hearing this bill. The resources at stake are paramount to Hawai'i, and deeply intertwined with our way of life. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with.

Mahalo for the opportunity to testify, Dr. Jack Kittinger

Submitted on: 3/21/2023 10:12:14 AM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Breanne Fong | Individual | Support | Written Testimony Only |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe and Honorable Members of the Committee,

My name is Breanne Fong, and I am submitting written testimony in strong support of SB304 which would help offset visitor impacts through a visitor green fee program, and distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I was born and raised on O'ahu in Niu Valley and Kaimuki, currently residing in Kaimuki and I am supporting SB304 because Hawai'i's environment has been neglected for far too long, especially with the increase in tourism now that restrictions from the pandemic have decreased. I am currently a master's student at UH Mānoa in the Natural Resources and Environmental Management program and it's because of my strong relationship with this 'āina and kai I grew up on that I have pursued environmental stewardship as the focus of my career. Thus, I no longer want to see Hawai'i become more degraded than it already is and SB304 will allow visitors to help prevent that from happening.

It has been found that 95% of Hawai'i voters believe it is our kuleana to care for the ocean for future generations, and 89% agree we must increase our investment in our lands, waters, wildlife, and natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. I would like to see more funding for efforts in restoring native species, especially those that are endangered, as well as efforts to restore our coral reefs, which have taken on a huge toll from climate change.

As a region, we face surmounting environmental challenges like disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB304 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. As a coastal community who relies on healthy oceans and forests to survive, it is imperative we implement a visitor green fee program this year to protect these resources for future generations.

This measure would provide a sustained funding source to enable our community groups, such as nonprofit organizations and DLNR, to implement solutions and scale work already being done to

preserve Hawai'i throughout the state. I volunteer with multiple environmental nonprofits, such as 808 Cleanups, Ho'oulu 'Āina, and Protect & Preserve Hawai'i, all of which are committed to restoring Hawai'i's natural and cultural resources and caring for our 'āina. I urge the committee to pass a robust visitor green fee program this session that funds both within and outside of state parks, as well as nonprofit organizations in addition to state agencies.

There is vast support for a visitor green fee program by residents, and this is the year to implement a solution of this scale to make a difference for future generations. This bill is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Thank you for your time and consideration.

Mahalo for the opportunity to testify,

Breanne Fong

Submitted on: 3/21/2023 12:24:24 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|----------------------|
| Yvonne Yoro | Individual | Support | Remotely Via Zoom |

Comments:

Aloha Chair Ichiyama, Vice Chair Poepoe, and Members of the Committee,

My name is Yvonne Yoro, resident of Wahiawā, Oʻahu. I am testifying IN SUPPORT of SB304 SD2 HD1.

SB304 will help to offset the negative and compounding impacts that continue to degrade our island's natural resources. By requiring visitors to pay to obtain a license that permits access to Hawai'i's state parks, beaches, hiking trails on state-owned land, and ecosystems, we affirm and hold consistent the belief that we value our natural resources and value protecting what makes Hawai'i unique from anywhere else in the world. As someone who works in 'āina, with state, federal, and non-profit groups, I know the difficult and challenging work involved with planting native plants, clearing areas of invasive species, protecting the homes of native animals, and countless other tasks that protect our environment. While acknowledging the inherently challenging nature of this field of work, those challenges exponentially increase in highly-visited areas.

SB 304 establishes the visitor impact fee program to collect fees from visitors and allocate that revenue to protect and manage natural resources. Protection and management of natural resources will grow increasingly challenging as our islands face more intense and extreme weather events exacerbated by climate change. Those challenges are further compounded when human impact is added to the equation. This bill will better equip those protecting, restoring and enhancing our natural resources with the tools they need to continue their work and ensure a healthy environment for future generations.

Mahalo,

Yvonne

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

<u>SB-304-HD-1</u>

Submitted on: 3/21/2023 12:38:42 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------|--------------|---------------------------|---------------------------|
| Molly Whiteley | Individual | Support | Written Testimony Only |

Comments:

Please support SB304.

Mahalo!

M. Whiteley

Kihei

<u>SB-304-HD-1</u>

Submitted on: 3/21/2023 1:07:52 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|--------------|--------------|---------------------------|---------------------------|
| Barbara Best | Individual | Support | Written Testimony Only |

Comments:

This is a popular policy - win-win

<u>SB-304-HD-1</u>

Submitted on: 3/21/2023 9:04:33 PM Testimony for WAL on 3/22/2023 9:30:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|----------------|--------------|---------------------------|---------------------------|
| jeanne wheeler | Individual | Support | Written Testimony Only |

Comments:

This could really help our Islands - please pass it :) Mahalo, JW