
A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL PROTECTION.

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

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

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



1 between \$137 to \$373 per tourist in their natural capital,
2 Hawaii only invests \$9 per tourist.

3 The legislature further finds that social media's increased
4 influence has driven growing numbers of visitors to the State's
5 beaches and trails, often in numbers that far exceed our natural
6 resource management efforts. The State's vital ecosystems and
7 the resources they harbor continue to decline, due to a
8 combination of these increased visitor impacts, the lack of
9 adequate investment in proven and effective conservation
10 approaches, and the rising pressures of climate change. Data
11 demonstrate a growing cause for concern that tourism's positive
12 contribution to the economy may not outweigh the impact that
13 visitors have on the environment. In 2019, ten million visitors
14 enjoyed the benefits of Hawaii's ecosystems and natural
15 environment. The increased demand on our natural resources
16 requires the creation of innovative conservation financing
17 mechanisms focused on reversing the decline in our ecosystems
18 and the associated risks for our visitor industry and resident
19 community.

20 The legislature recognizes that the coronavirus disease
21 2019 pandemic provides the State with an opportunity to build



1 back the tourism sector more sustainably. A visitor green fee
2 could provide sustainable and comprehensive funding to better
3 mitigate increased visitor impacts and potentially provide for
4 additional green job growth. As the frequency of natural
5 disasters and exogenous shocks increase, the legislature finds
6 that diversification and green job growth are invaluable to
7 Hawaii's economic stability and ability to withstand shocks and
8 reverse the migration of talented employees from the State.

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



1 The legislature finds that green fees would provide various
2 economic benefits to the State. With 2021 arrivals forecasted
3 to be approximately five million visitors, a \$20 per visitor
4 green fee could generate approximately \$100,000,000 in
5 conservation workforce revenue, which is estimated to be
6 sufficient to fund as much as two thousand four hundred public
7 and private conservation jobs of diverse skill sets and
8 abilities. Other jurisdictions have found that green stimulus
9 yields a higher economic multiplier effect. Similarly, studies
10 show impressive returns on conservation investment. For
11 example, The Nature Conservancy's efforts at the Waikamoi
12 Preserve will generate a forty-six per cent return on investment
13 over the one hundred-year planning period, with a net present
14 value of \$19,100,000.

15 The legislature further finds that green fees would provide
16 environmental benefits through the funded conservation efforts,
17 including the prevention of four thousand three hundred tons per
18 year of sediment from washing into the ocean and the recharge of
19 32,500,000,000 gallons over the next one hundred years. In
20 addition to watershed conservation, other environmental benefits
21 could include fire road installation, dune restoration,



1 integrated marine monitoring, coral reef restoration, and
2 recreation and trail maintenance.

3 The purpose of this Act is to:

- 4 (1) Establish the conservation workforce special fund with
- 5 the explicit commitment of funding a conservation
- 6 workforce and advancing the Aloha+ Challenge natural
- 7 resource management targets; and
- 8 (2) Establish a ten-year pilot visitor green fee,
- 9 effective July 1, 2021.

10 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
11 amended by adding a new section to part I to be appropriately
12 designated and to read as follows:

13 "§171- Conservation workforce special fund. (a) There
14 is established in the state treasury the conservation workforce
15 special fund into which shall be deposited:

- 16 (1) All revenues under section 237D- ;
- 17 (2) Appropriations made by the legislature to the special
- 18 fund; and
- 19 (3) Grants and gifts made to the special fund.

20 (b) Moneys in the special fund may be expended by the
21 department for workforce programs and services with the explicit



1 purpose of meeting the Aloha+ Challenge natural resource
2 management targets and the International Union for Conservation
3 of Nature's 30 by 30 goals of:

4 (1) Increasing freshwater capacity by one hundred million
5 gallons per day in comparison to the January 1, 2016,
6 baseline;

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

9 (3) Implementing a biosecurity plan to address priority
10 invasive species by 2030; and

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

13 Funds may also be expended to support the maintenance or
14 restoration of beaches, parks, and trails."

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

18 "§237D- _____ Green fee surcharge. (a) Beginning on January
19 1, 2022, in addition to the taxes imposed pursuant to section
20 237D-2, there is levied and shall be assessed and collected a



1 green fee surcharge of \$20 for each guest, either a visitor or
2 resident, of a transient accommodation.

3 (b) Notwithstanding sections 237D-2(e) and 237D-6.5, the
4 revenues collected pursuant to this section shall be deposited
5 quarterly into the conservation workforce special fund
6 established pursuant to section 171- ."

7 SECTION 4. New statutory material is underscored.

8 SECTION 5. This Act shall take effect on January 1, 2022,
9 and shall be repealed on December 31, 2031.



Report Title:

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

Description:

Establishes a green fee surcharge of \$20 on transient accommodations for the purposes of funding workforce programs and services that promote certain environmental goals. Establishes a conservation workforce special fund. Repeals on 12/31/2031. (SD2)

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