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# A BILL FOR AN ACT

RELATING TO VISITOR IMPACT FEES.

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

1           SECTION 1. The legislature finds that Hawaii's natural  
2 resources, including reefs, oceans, forests, streams, estuaries,  
3 shorelines, and beaches, provide irreplaceable and invaluable  
4 benefits to visitors, residents, and the global community.

5           The Hawaii State Constitution makes clear that our natural  
6 and cultural resources are subject to the public trust and  
7 therefore must be managed and protected for the benefit of  
8 present and future generations. The Hawaii State Constitution  
9 further requires the State and its agencies to protect and  
10 enforce Native Hawaiian rights, including traditional and  
11 customary practices associated with, and dependent upon,  
12 carefully managed and abundant natural resources.

13           The legislature further finds that Hawaii's natural  
14 environment faces significant environmental pressure from the  
15 heavy use it receives from persons traveling to enjoy the  
16 State's natural resources. The current underinvestment in our  
17 natural resources poses a significant liability to the visitor



1 industry; the stability of our natural systems, including food  
2 systems and water quality; and the ecosystems, services,  
3 fisheries, economic resilience, and health and safety of the  
4 State.

5 Hawaii residents currently contribute to the protection and  
6 management of our natural resources through taxes, environmental  
7 care, subsistence, cultural practices, and the exercise of the  
8 values and practices embodied in the state constitution.  
9 However, with escalating visitor impacts and an increasing  
10 global threat to our island ecosystem, there is an immediate  
11 need for additional resources to protect, restore, sustain,  
12 manage, and conserve our natural resources. A regenerative  
13 tourism fee has been suggested by the Hawaii tourism authority  
14 as a potential means to obtain these critical resources.  
15 Accordingly, the legislature finds that it is timely to ask  
16 visitors who enjoy and reap benefits of Hawaii's natural  
17 resources to further contribute to their protection, care, and  
18 restoration.

19 The legislature believes that a license requirement for  
20 visitors who enjoy Hawaii's public beaches, trails, parks, and  
21 ecosystems could generate the necessary funding each year to



1 offset the adverse impacts of visitors and conserve Hawaii's  
2 irreplaceable green infrastructure in perpetuity.

3 The legislature further finds that visitor impact fees,  
4 which are also known as "green fees" or "environmental  
5 protection fees", have been successfully implemented in many  
6 visitor destinations throughout the world, including the  
7 Galapagos Islands, New Zealand, and Palau. In these locations,  
8 the fees have demonstrated compounding benefits for visitors,  
9 residents, and natural landscapes and seascapes.

10 The legislature also believes that it is imperative to  
11 raise additional revenues to offset visitor impacts and ensure  
12 that a positive environmental legacy is left for future  
13 generations. A visitor impact fee provides a reasonable and  
14 appropriate way to generate these needed revenues.

15 The legislature believes that establishing a visitor impact  
16 fee of \$50 in Hawaii would be a significant and effective way to  
17 raise additional revenue to offset visitor impacts and ensure a  
18 healthy environment for future generations.

19 Accordingly, the purpose of this Act is to establish a  
20 visitor impact fee program, to be administered by the department  
21 of land and natural resources, and require a license for



# H.B. NO. 1162

1 visitors to use Hawaii's public beaches, parks, trails,  
2 coastlines, and environment. The purpose of the visitor impact  
3 fee program shall be to provide sustained funding for the  
4 protection, restoration, regeneration, enhancement, and care of  
5 Hawaii's natural and outdoor recreational resources and build  
6 resilience of these resources to withstand the impacts of  
7 increased visitor use.

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

11 "PART . VISITOR IMPACT FEE PROGRAM

12 §171-A Definitions. For purposes of this part:

13 "Commission" means the environmental legacy commission.

14 "Fund" means the visitor impact fee special fund  
15 established pursuant to section 171-G.

16 "License" means a license issued pursuant to this part.

17 "Licensee" means a person who is issued a license pursuant  
18 to this part.

19 "Nonprofit organization" means a private, nonprofit  
20 organization that has been granted tax exempt status by the  
21 Internal Revenue Service pursuant to section 501(c)(3) of the



1 Internal Revenue Code of 1986, as amended, and that has among  
2 its charitable purposes the preservation, restoration,  
3 management, or interpretation of natural or cultural resources  
4 for scientific, historic, educational, recreational, scenic,  
5 wildlife, or open-space purposes; the protection of the natural  
6 environment or biological resources, or both; the preservation  
7 or enhancement, or both, of wildlife; and the protection or  
8 interpretation, or both, of Native Hawaiian cultural resources  
9 and practices related thereto.

10 "Program" means the visitor impact fee program.

11 "Resident of Hawaii" means an individual who has:

12 (1) Filed or paid state income taxes for the previous tax  
13 year; or

14 (2) Established domicile in the State, as evidenced by  
15 documentation showing the individual's address,  
16 including any of the following:

17 (A) A valid Hawaii driver's license;

18 (B) A valid Hawaii state identification card;

19 (C) A valid school identification card issued by a  
20 school in the State; or



1 (D) Any other official document issued to the  
2 individual within the last thirty days by a  
3 government agency, financial institution,  
4 insurance company, or utility company in the  
5 State.

6 "Visitor" means a person in Hawaii who is not a resident of  
7 Hawaii.

8 §171-B Visitor impact fee program; license; signs. (a)

9 There is established within the department the visitor impact  
10 fee program. The purpose of the program shall be to collect a  
11 fee from visitors through an environmental license and allocate  
12 that revenue to protect, restore, and manage natural and  
13 cultural resources.

14 (b) Each visitor who is fifteen years of age or older who  
15 visits a state park, beach, forest, hiking trail, or other  
16 natural area on state land shall first pay a visitor impact fee  
17 to obtain a license pursuant to this part.

18 (c) The department shall place signs at state parks,  
19 beaches, forests, trail heads, or other natural areas on state  
20 land to inform visitors of the requirement to pay a visitor  
21 impact fee and obtain a license pursuant to this part.



# H.B. NO. 1162

1           §171-C License; purchase. . (a) The department shall  
2 establish convenient opportunities for visitors to pay a visitor  
3 impact fee and be issued a license, including through:

4           (1) A mobile application; and

5           (2) An internet website.

6 The department may authorize retail establishments and nonprofit  
7 organizations to accept payment of a visitor impact fee and  
8 issue a license.

9           (b) The amount of the visitor impact fee shall be \$50;  
10 provided that the chairperson of the board of land and natural  
11 resources may increase the fee by rule pursuant to chapter 91 no  
12 more frequently than once every five years.

13           (c) Each license shall be effective for one year from the  
14 date of issuance.

15           §171-D Penalties. (a) Any applicable person who visits a  
16 state park, beach, forest, hiking trail, or other natural area  
17 on state land without first paying a visitor impact fee and  
18 obtaining a license, in violation of section 171-B(b), shall be  
19 liable for a civil fine not to exceed \$ . The assessment of  
20 penalties shall begin no more than five years after the



# H.B. NO. 1162

1 establishment of the program, to allow time for effective  
2 implementation, public education, and enforcement.

3 (b) Any civil fine provided under this section may be  
4 imposed by the circuit court or by the department after an  
5 opportunity for a hearing pursuant to chapter 91. Imposition of  
6 a civil fine shall not be a prerequisite to any civil fine or  
7 injunctive relief ordered by the circuit court.

8 **§171-E Environmental legacy commission; established;**  
9 **members.** (a) There is established within the department the  
10 environmental legacy commission. The commission shall consist  
11 of eleven members who shall serve terms as set forth in  
12 section 26-34. The commission shall guide the department's  
13 disbursement of revenues collected pursuant to this part.

14 (b) The commission shall comprise:

15 (1) The following ex officio members:

16 (A) The chairperson of the board of land and natural  
17 resources or the chairperson's designee, who  
18 shall serve as the chairperson of the commission;

19 (B) The director of the office of planning and  
20 sustainable development or the director's  
21 designee; and



# H.B. NO. 1162

- 1           (C) The president and chief executive officer of the  
2                   Hawaii tourism authority or the president and  
3                   chief executive officer's designee; and
- 4       (2) The following members who shall be recommended by the  
5           department and appointed by the governor in the manner  
6           prescribed in section 26-34:
- 7           (A) One representative of a nonprofit environmental  
8                   organization having expertise on the protection,  
9                   restoration, and care of terrestrial natural  
10                  resources;
- 11          (B) One representative of a nonprofit environmental  
12                  organization having expertise on the protection,  
13                  restoration, and care of marine and coastal  
14                  natural resources;
- 15          (C) One representative of a nonprofit environmental  
16                  organization having expertise on climate change  
17                  mitigation, adaptation, and resiliency;
- 18          (D) One representative of the department working on  
19                  state climate change mitigation, adaptation, and  
20                  resiliency;



# H.B. NO. 1162

- 1           (E) Two representatives from the Native Hawaiian  
2           community who have expertise in the protection,  
3           restoration, care, and interpretation of Native  
4           Hawaiian cultural resources;
- 5           (F) One representative between eighteen and  
6           twenty-five years of age, inclusive, who works or  
7           has worked in the field of environmental  
8           sustainability or restoration, or both; and
- 9           (G) One representative from the private sector  
10          working to advance environmental solutions in the  
11          State as a green business that is locally owned  
12          and operated.
- 13          (c) A simple majority of the members shall establish a  
14          quorum.
- 15          (d) The members shall serve without compensation but shall  
16          be reimbursed for expenses, including reasonable travel  
17          expenses, necessary for the performance of their duties.
- 18          §171-F Environmental legacy commission; powers; duties.
- 19          (a) The commission shall guide and approve the department's  
20          disbursement of visitor impact fee revenues deposited into the  
21          fund.



# H.B. NO. 1162

1           (b) The commission shall be established not later than two  
2 years after the effective date of this part. Except for moneys  
3 expended by the department for the establishment of the  
4 commission pursuant to section 171-H(c), no visitor impact fee  
5 moneys shall be disbursed before the commission is established.

6           (c) The commission shall:

7           (1) Have decision-making authority over how moneys in the  
8 fund will be used by the department as aligned with  
9 the fund's purposes and priorities;

10          (2) Have decision-making authority regarding the award of  
11 community grants; and

12          (3) Provide guidance representative of its members'  
13 expertise and communities as aligned with the purposes  
14 and priorities of the fund.

15           **§171-G Visitor impact fee special fund; established.**

16 There is established within the state treasury the visitor  
17 impact fee special fund, into which shall be deposited:

18          (1) All revenue from visitor impact fees, less any costs  
19 incurred in collecting those fees;

20          (2) All fines collected pursuant to section 171-D, less  
21 any costs incurred in collecting those fines;



# H.B. NO. 1162

1           (3) Appropriations made to the fund by the legislature;  
2                   and

3           (4) Grants and gifts made to the fund.

4           §171-H Visitor impact fee special fund; purpose;

5 priorities. (a) The fund shall be administered and governed by  
6 the department and commission:

7           (1) With transparency and accountability; and

8           (2) In a manner that maximizes the effectiveness of the  
9                   program.

10          (b) The commission shall allocate moneys in the fund to be  
11 expended directly by state agencies for projects that help  
12 offset adverse environmental impacts caused by visitors, ensure  
13 that the State's natural resources are maintained for continued  
14 use by licensees, or both. Examples of permissible projects  
15 under this subsection include projects that directly restore,  
16 enhance, and protect, in perpetuity, natural resources and the  
17 State's unique and fragile ecological status, including projects  
18 that:

19          (1) Protect, restore, or enhance terrestrial and marine  
20                   natural resources;



# H.B. NO. 1162

- 1           (2) Increase the resilience and adaptation of Hawaii's  
2           natural resources with environmentally beneficial  
3           strategies to reduce the adverse impacts of climate  
4           change, including coastal erosion, sea level rise,  
5           damage to reefs, ocean acidification, coral bleaching,  
6           damage to land resources, and other impacts; or
- 7           (3) Remove and control invasive species and propagate and  
8           plant native species.
- 9           (c) The department shall allocate moneys necessary for the  
10          initial establishment of the commission. After the commission's  
11          establishment, the commission shall allocate moneys in the fund  
12          to be expended directly by the department for administration of  
13          the program, including the creation and implementation of a  
14          visitor impact fee strategic plan that includes a timetable  
15          indicating how the objectives and policies of this part will be  
16          pursued and implemented.
- 17          (d) The commission may allocate moneys to provide grants  
18          to nonprofit organizations; provided that the annual aggregate  
19          sum of grants does not exceed fifty per cent of the annual fee  
20          revenue. In awarding grants, the commission shall prioritize  
21          projects that satisfy at least one of the following:



- 1           (1) Develop nature-based solutions to environmental and  
2           climate issues that impact the State;
- 3           (2) Provide significant protection, restoration, and  
4           enhancement of Hawaii's natural resources;
- 5           (3) Increase the resilience of state-owned natural  
6           resources trafficked by licensees; or
- 7           (4) Advance the State's ability to protect natural  
8           resources through the establishment, stability, and  
9           growth of an environmentally responsible workforce.
- 10          (e) The commission may allocate moneys to provide grants  
11       to counties; provided that the annual aggregate sum of grants  
12       does not exceed fifty per cent of the annual fee revenue. In  
13       awarding grants, the commission shall prioritize projects that  
14       satisfy at least one of the following:
- 15          (1) Develop nature-based solutions to environmental and  
16          climate issues that impact the State;
- 17          (2) Provide significant protection, restoration, and  
18          enhancement of Hawaii's natural resources;
- 19          (3) Increase the resilience of state-owned natural  
20          resources trafficked by licensees; or



# H.B. NO. 1162

1           (4) Advance the State's ability to protect natural  
2           resources through the establishment, stability, and  
3           growth of an environmentally responsible workforce.

4           (f) The commission may allocate moneys to provide  
5 cost-matching funds for federal grants that satisfy any of the  
6 following priorities:

7           (1) Develop nature-based solutions to environmental and  
8           climate issues that impact the State;

9           (2) Provide significant protection, restoration, and  
10          enhancement of Hawaii's natural resources;

11          (3) Increase the resilience of state-owned natural  
12          resources trafficked by licensees; or

13          (4) Advance the State's ability to protect natural  
14          resources through the establishment, stability, and  
15          growth of an environmentally responsible workforce.

16          (g) The commission may allocate moneys necessary for the  
17 enforcement of this part, including any enforcement or legal  
18 expenses incurred to enforce or collect penalties pursuant to  
19 section 171-D.

20          (h) Moneys allocated from the fund shall be used for the  
21 purposes described in this section; provided that these moneys



1 shall complement but shall not supplant other moneys regularly  
2 appropriated for those purposes.

3 §171-I Grants; qualifications and conditions. (a) For  
4 purposes of grants awarded pursuant to this part, any  
5 organization requesting a grant shall:

6 (1) Be licensed and accredited, as applicable, under the  
7 laws of the State;

8 (2) Have at least one year's experience with the project  
9 or in the program area for which grant moneys are  
10 requested; and

11 (3) Be qualified to engage in the program or activity to  
12 be funded by the grant or employ or have under  
13 contract persons who are qualified.

14 (b) Recipients of grants shall be subject to the following  
15 conditions:

16 (1) Any organization requesting a grant shall submit its  
17 request together with all information required by the  
18 department on an application form prescribed by the  
19 department;

20 (2) The recipient of a grant shall not use public funds  
21 for purposes of entertainment or perquisites;



# H.B. NO. 1162

- 1           (3) The recipient of a grant shall comply with applicable  
2           federal, state, and county laws;
- 3           (4) The recipient of a grant shall comply with any other  
4           requirements the department may prescribe;
- 5           (5) The recipient of a grant shall allow the department,  
6           the legislative bodies, and the auditor full access to  
7           records, reports, files, and other related documents  
8           so that the program, management, and fiscal practices  
9           of the grant recipient may be monitored and evaluated  
10          to assure the proper and effective expenditure of  
11          public funds;
- 12          (6) Each grant shall be monitored pursuant to rules or  
13          policies established by the department to ensure  
14          compliance with this part; and
- 15          (7) Any recipient of a grant under this section who  
16          withholds or omits any material fact or deliberately  
17          misrepresents facts to the department or who violates  
18          the terms of the recipient's contract shall be in  
19          violation of this section and, in addition to any  
20          other penalties provided by law, shall be prohibited



1 from applying for a grant under this section for a  
2 period of five years from the date of termination.

3 (c) The department shall provide grant recipients with  
4 access to any state lands or natural resources necessary to  
5 effectuate the project for which the grant is awarded.

6 §171-J Report to legislature. (a) No later than twenty  
7 days prior to the convening of the regular session of 2025 and  
8 each year thereafter, the department shall submit a report to  
9 the legislature.

10 (b) The report shall contain information on ways that the  
11 fund restored, enhanced, and protected Hawaii's state-owned  
12 natural resources, and its unique and vulnerable ecosystem,  
13 during the previous fiscal year, as well as the benefits that  
14 accrue or will accrue from those expenditures for the benefit of  
15 the State's natural resources.

16 (c) The department shall publish the reports on its  
17 website.

18 §171-K Rules. The department may adopt rules pursuant to  
19 chapter 91 necessary for the purposes of this part, including  
20 any rules necessary to increase license fees and to ensure that  
21 persons who purchase a license are aware that the license is



1 broader than an entrance fee to visit a specific state park,  
2 forest, hiking trail, or other natural area on state land, which  
3 is used explicitly for that park, forest, hiking trail, or other  
4 natural area."

5 SECTION 3. The department of land and natural resources  
6 shall amend its rules in accordance with chapter 91, Hawaii  
7 Revised Statutes, including the fee schedule for state parks  
8 that is adopted pursuant to section 184-3.2, Hawaii Revised  
9 Statutes, to ensure that persons who purchase a license pursuant  
10 to sections 171-B and 171-C, Hawaii Revised Statutes, are not  
11 assessed a separate entrance fee to visit a state park, beach,  
12 forest, hiking trail, or other natural area on state land to  
13 which access is granted by the license.

14 SECTION 4. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$3,000,000 or so much  
16 thereof as may be necessary for fiscal year 2023-2024 to be  
17 deposited into the visitor impact fee special fund.

18 SECTION 5. There is appropriated out of the visitor impact  
19 fee special fund the sum of \$1,000,000 or so much thereof as may  
20 be necessary for fiscal year 2023-2024 for the establishment of  
21 the environmental legacy commission and a strategic plan with a



1 timetable indicating how the objectives and policies established  
2 in part of chapter 171, Hawaii Revised Statutes, will be  
3 pursued and implemented.

4 The sum appropriated shall be expended by the department of  
5 land and natural resources for the purposes of this Act.

6 SECTION 6. The appropriation made by section 5 of this Act  
7 shall not lapse at the end of the fiscal year for which the  
8 appropriation is made; provided further that all moneys from the  
9 appropriation unencumbered as of June 30, 2025, shall lapse as  
10 of that date.

11 SECTION 7. In codifying the new sections added by  
12 section 2 and referenced in section 3 of this Act, the revisor  
13 of statutes shall substitute appropriate section numbers for the  
14 letters used in designating the new sections in this Act.

15 SECTION 8. This Act does not affect rights and duties that  
16 matured, penalties that were incurred, and proceedings that were  
17 begun before its effective date.



# H.B. NO. 1162

1 SECTION 9. This Act shall take effect upon its approval;  
2 provided that sections 4 and 5 shall take effect on July 1,  
3 2023.

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INTRODUCED BY: *Scott Orr*  
JAN 24 2023



# H.B. NO. 1162

**Report Title:**

DLNR; Visitor Impact Fee; Environmental Legacy Commission; Appropriations

**Description:**

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, forest, hiking trail, or other state natural area. Establishes the Environmental Legacy Commission to allocate revenues from the visitor impact fee to protect and manage natural resources. Establishes, and appropriates moneys into and out of, the visitor impact fee special fund.

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

