

JAN 19 2023

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



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.



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



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



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;



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.



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;



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;



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



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;



- 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.

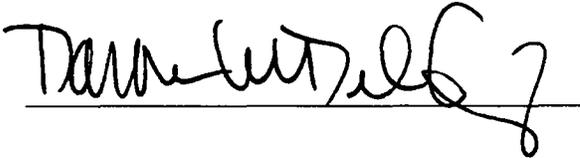
11 SECTION 7. In codifying the new sections added by
12 section 2 and referenced in section 3 of this Act, the revisor
13 of statutes shall substitute appropriate section numbers for the
14 letters used in designating the new sections in this Act.

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.



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.

4

INTRODUCED BY: 



S.B. NO. 304

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.

