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
- resources, including reefs, oceans, forests, streams, estuaries, 2
- 3 shorelines, and beaches, provide irreplaceable and invaluable
- 4 benefits to visitors, residents, and the global community.
- The Hawaii State Constitution makes clear that the State's 5
- 6 natural and cultural resources are subject to the public trust
- 7 and therefore must be managed and protected for the benefit of
- present and future generations. The Hawaii State Constitution 8
- 9 further requires the State and its agencies to protect and
- 10 enforce Native Hawaiian rights, including traditional and
- customary practices associated with, and dependent upon, 11
- 12 carefully managed and abundant natural resources.
- 13 The legislature further finds that Hawaii's natural
- environment faces significant environmental pressure from the 14
- 15 heavy use it receives from persons traveling to enjoy the
- State's natural resources. The current underinvestment in the 16
- State's natural resources poses a significant liability to the 17



- 1 visitor industry; the stability of natural systems, including
- 2 food 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 natural resources through taxes, environmental
- 7 care, subsistence, cultural practices, and the exercise of the
- 8 values and practices embodied in the Hawaii State Constitution.
- 9 However, with escalating visitor impacts and an increasing
- 10 global threat to the island ecosystems, there is an immediate
- 11 need for additional resources to protect, restore, sustain,
- 12 manage, and conserve natural resources. A regenerative tourism
- 13 fee has been suggested by the Hawaii tourism authority as a
- 14 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 "Fund" means the visitor impact fee special fund
- 14 established pursuant to section 171-E.
- "License" means a license issued pursuant to this part.
- "Licensee" means a person who is issued a license pursuant
- 17 to this part.
- 18 "Nonprofit organization" means a private, nonprofit
- 19 organization that has been granted tax exempt status by the
- 20 Internal Revenue Service pursuant to section 501(c)(3) of the
- 21 Internal Revenue Code of 1986, as amended, and that has among

1	its chari	table	purposes the preservation, restoration,
2	managemen	t, or	interpretation of natural or cultural resources
3	for scien	tific	, historic, educational, recreational, scenic,
4	wildlife,	or c	pen-space purposes; the protection of the natural
5	environme	nt or	biological resources, or both; the preservation
6	or enhanc	ement	, or both, of wildlife; and the protection or
7	interpret	ation	, or both, of Native Hawaiian cultural resources
8	and pract	ices	related thereto.
9	"Pro	gram"	means the visitor impact fee program.
10	"Res	ident	of Hawaii" means an individual who has:
11	(1)	File	d or paid state income taxes for the previous tax
12		year	; or
13	(2)	Esta	blished domicile in the State, as evidenced by
14		docu	mentation showing the individual's address,
15		incl	uding any of the following:
16		(A)	A valid Hawaii driver's license;
17		(B)	A valid Hawaii state identification card;
18		(C)	A valid school identification card issued by a
19			school in the State; or
20		(D)	Any other official document issued to the
21			individual within the last thirty days by a

l	government agency, financial institution,
2	insurance company, or utility company in the
3	State.
4	"Visitor" means a person in Hawaii who is not a resident of
5	Hawaii.
6	§171-B Visitor impact fee program; license; signs. (a)
7	There is established within the department the visitor impact
8	fee program. The purpose of the program shall be to collect a
9	fee from visitors through an environmental license and allocate
10	that revenue to protect, restore, and manage natural and
11	cultural resources impacted by visitors.
12	(b) Beginning on a date established by the department by
13	rule pursuant to chapter 91, each visitor who is fifteen years
14	of age or older who visits a state park, beach, forest, hiking
15	trail, or other natural area on state land, as designated by the
16	department by rule pursuant to chapter 91, shall first pay a
17	visitor impact fee 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 may increase the fee by rule
- 11 pursuant to chapter 91 no more frequently than once every five
- 12 years.
- 13 (c) Each license shall be effective for one year from the
- 14 date of issuance.
- 15 §171-D Penalties. (a) A visitor who visits a state park,
- 16 beach, forest, hiking trail, or other natural area on state land
- 17 without first paying a visitor impact fee and obtaining a
- 18 license, in violation of section 171-B(b), shall be liable for a
- 19 civil fine not to exceed \$. The assessment of
- 20 penalties shall not begin until at least five years after the

- 1 effective date of this Act, 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 Visitor impact fee special fund; established. (a)
- 9 There is established within the state treasury the visitor
- 10 impact fee special fund, into which shall be deposited:
- 11 (1) All revenue from visitor impact fees, less any costs
- incurred in collecting those fees;
- 13 (2) All fines collected pursuant to section 171-D, less
- 14 any costs incurred in collecting those fines;
- 15 (3) Appropriations made to the fund by the legislature;
- **16** and
- 17 (4) Grants and gifts made to the fund.
- 18 (b) The fund shall be administered and governed by the
- 19 department:
- 20 (1) With transparency and accountability; and

1	(2)	in a manner that maximizes the effectiveness of the
2		program.
3	(c)	The department shall allocate moneys in the fund to be
4	expended	directly by state agencies for projects that help
5	offset ad	verse environmental impacts caused by visitors, ensure
6	that the	State's natural resources are maintained for continued
7	use by li	censees, or both. Examples of permissible projects
8	under thi	s subsection include projects that directly restore,
9	enhance,	and protect, in perpetuity, natural resources and the
10	State's u	nique and fragile ecological status, including projects
11	that:	
12	(1)	Protect, restore, or enhance terrestrial and marine
13		natural resources impacted by heavy usage of
14		licensees;
15	(2)	Increase the resilience and adaptation of Hawaii's
16		natural resources with environmentally beneficial
17		strategies to reduce the adverse impacts of climate
18		change, including coastal erosion, sea level rise,
19		damage to reefs, ocean acidification, coral bleaching,
20		damage to land resources, and other impacts
21		exacerbated by licensees; or

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1	(3)	Remove and control invasive species and propagate and				
2		plant native species in state-owned recreational areas				
3		utilized by licensees.				
4	(d)	The department shall allocate moneys in the fund to be				
5	expended	directly by the department for administration of the				
6	program,	including the creation and implementation of a visitor				
7	impact fe	e strategic plan that includes a timetable indicating				
8	how the objectives and policies of this part will be pursued and					
9	implemented.					
10	(e)	The department may allocate moneys to provide grants				
11	to the co	unties and nonprofit organizations; provided that the				
12	annual aggregate sum of grants to the counties and nonprofit					
13	organizations each does not exceed fifty per cent of the annual					
14	visitor impact fee revenue. In awarding grants, the department					
15	shall prioritize projects that satisfy at least one of the					
16	following	:				
17	(1)	Develop nature-based solutions to environmental and				
18		climate issues exacerbated by licensees;				
19	(2)	Provide significant protection, restoration, and				
20		enhancement of Hawaii's natural resources in areas				

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impacted by licensees; or

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1	(3)	Increase	the	resili	ience	e of	state-	owned	natural
								4	
2		resources	imp	pacted	by]	licen	sees.		

- ${f 3}$ (f) The department may allocate moneys to provide
- 4 cost-matching funds for federal grants that satisfy any of the
- 5 following priorities:
- 6 (1) Develop nature-based solutions to environmental and 7 climate issues exacerbated by licensees;
- 8 (2) Provide significant protection, restoration, and
 9 enhancement of Hawaii's natural resources in areas
 10 impacted by licensees; or
- 11 (3) Increase the resilience of state-owned natural
 12 resources impacted by licensees.
- 13 (g) The department may allocate moneys necessary for the
 14 enforcement of this part, including any enforcement or legal
 15 expenses incurred to enforce or collect penalties pursuant to
 16 section 171-D.
- (h) Moneys allocated from the fund shall be used for the purposes described in this section; provided that these moneys shall complement but shall not supplant other moneys regularly appropriated for those purposes.

1	§171	-F Grants; qualifications and conditions. (a) For				
2	purposes	of grants awarded pursuant to this part, any				
3	organizat	ion requesting a grant shall:				
4	(1)	Be licensed and accredited, as applicable, under the				
5		laws of the State;				
6	(2)	Have at least one year's experience with the project				
7		or in the program area for which grant moneys are				
8		requested; and				
9	(3)	Be qualified to engage in the program or activity to				
10		be funded by the grant or employ or have under				
11		contract persons who are qualified.				
12	(b)	Recipients of grants shall be subject to the following				
13	conditions:					
14	(1)	Any county or nonprofit organization requesting a				
15		grant shall submit its request together with all				
16		information required by the department on an				
17		application form prescribed by the department;				
18	(2)	The recipient of a grant shall not use public funds				
19		for purposes of entertainment or perquisites;				
20	(3)	The recipient of a grant shall comply with applicable				

federal, state, and county laws;

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

(4) The recipient of a grant shall comply with any other

- 1 (c) The department shall use best efforts to provide grant
- 2 recipients with access to any state lands or natural resources
- 3 necessary to effectuate the project for which the grant is
- 4 awarded.
- 5 §171-G Report to legislature. (a) No later than twenty
- 6 days prior to the convening of the regular session of 2025 and
- 7 each year thereafter, the department shall submit a report to
- 8 the legislature.
- 9 (b) The report shall contain information on ways that the
- 10 fund restored, enhanced, and protected Hawaii's state-owned
- 11 natural resources and its unique and vulnerable ecosystem during
- 12 the previous fiscal year, as well as the benefits that have
- 13 accrued or will accrue from those expenditures for the benefit
- 14 of the State's natural resources.
- 15 (c) The department shall publish the reports on its
- 16 website.
- 17 §171-H Rules. The department may adopt rules pursuant to
- 18 chapter 91 necessary for the purposes of this part, including
- 19 any rules necessary to increase license fees and to ensure that
- 20 persons who purchase a license are aware that the license is
- 21 broader than an entrance fee to visit a specific state park,

- 1 forest, hiking trail, or other natural area on state land, which
- 2 is used explicitly for that park, forest, hiking trail, or other
- 3 natural area."
- 4 SECTION 3. There is appropriated out of the general
- 5 revenues of the State of Hawaii the sum of \$ or so
- 6 much thereof as may be necessary for fiscal year 2023-2024 to be
- 7 deposited into the visitor impact fee special fund.
- 8 SECTION 4. There is appropriated out of the visitor impact
- 9 fee special fund the sum of \$ or so much thereof as
- 10 may be necessary for fiscal year 2023-2024 for the visitor
- 11 impact fee strategic plan with a timetable indicating how the
- 12 objectives and policies established in part of chapter 171,
- 13 Hawaii Revised Statutes, will be pursued and implemented.
- 14 The sum appropriated shall be expended by the department of
- 15 land and natural resources for the purposes of this Act.
- 16 SECTION 5. The appropriation made by section 4 of this Act
- 17 shall not lapse at the end of the fiscal year for which the
- 18 appropriation is made; provided further that all moneys from the
- 19 appropriation unencumbered as of June 30, 2025, shall lapse as
- 20 of that date.

- 1 SECTION 6. There is appropriated out of the general
- 2 revenues of the State of Hawaii the sum of \$ or so
- 3 much thereof as may be necessary for fiscal year 2023-2024 and
- 4 the same sum or so much thereof as may be necessary for fiscal
- 5 year 2024-2025 for the following positions for the visitor
- 6 impact fee program:
- 7 (1) Two full-time equivalent (2.0 FTE) program
- 8 specialists;
- 9 (2) One full-time equivalent (1.0 FTE) office assistant;
- 10 (3) One full-time equivalent (1.0 FTE) clerk V; and
- 11 (4) One full-time equivalent (1.0 FTE) accountant.
- 12 The sums appropriated shall be expended by the department
- 13 of land and natural resources for the purposes of this Act.
- 14 SECTION 7. In codifying the new sections added by
- 15 section 2 of this Act, the revisor of statutes shall substitute
- 16 appropriate section numbers for the letters used in designating
- 17 the new sections in this Act.
- 18 SECTION 8. This Act does not affect rights and duties that
- 19 matured, penalties that were incurred, and proceedings that were
- 20 begun before its effective date.

1 SECTION 9. This Act shall take effect on June 30, 3000.

Report Title:

DLNR; Visitor Impact Fee; Appropriations

Description:

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. Effective 6/30/3000. (HD1)

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