

JAN 17 2025

A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL STEWARDSHIP 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 the State's
6 natural and cultural resources are subject to the public trust
7 and 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
15 persons traveling to enjoy the State's natural resources. The
16 current underinvestment in the State's natural resources poses a
17 significant liability to the visitor industry; the stability of



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

4 Hawaii residents currently contribute to the protection and
5 management of natural resources through taxes, environmental
6 care, subsistence, cultural practices, and the exercise of the
7 values and practices embodied in the Hawaii State Constitution.

8 However, with escalating visitor impacts and an increasing
9 global threat to the island ecosystems, there is an immediate
10 need for additional resources to protect, restore, sustain,
11 manage, and conserve natural resources. A regenerative tourism
12 fee has been suggested by the Hawaii tourism authority as a
13 potential means to obtain these critical resources.

14 Accordingly, the legislature finds that it is timely to ask
15 visitors who enjoy and reap benefits of Hawaii's natural
16 resources to further contribute to their protection, care, and
17 restoration.

18 The legislature believes that a license requirement for
19 visitors who enjoy Hawaii's public beaches, trails, parks, and
20 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. An environmental stewardship fee provides a
14 reasonable and appropriate way to generate these needed
15 revenues.

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

20 Accordingly, the purpose of this Act is to establish an
21 environmental stewardship fee program, to be administered by the



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

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

12 **"PART . ENVIRONMENTAL STEWARDSHIP FEE PROGRAM**

13 **§171-A Definitions.** For purposes of this part:

14 "Fund" means the environmental stewardship fee special fund
15 established pursuant to section 171-E.

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 environmental stewardship 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



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

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

§171-B Environmental Stewardship fee program; license;

signs. (a) There is established within the department the environmental stewardship fee program. The purpose of the program shall be to collect a fee from visitors through a license and allocate that revenue to protect, restore, and manage natural and cultural resources impacted by visitors.

(b) Beginning on a date established by the department by rule pursuant to chapter 91, but not before July 1, 2027, each visitor who is fifteen years of age or older who visits a state park, beach, forest, hiking trail, or other natural area on state land, as designated by the department by rule pursuant to chapter 91, shall first pay an environmental stewardship fee to obtain a license pursuant to this part.



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

§171-C License; purchase. (a) The department shall establish convenient opportunities for visitors to pay an environmental stewardship fee and be issued a license, including through:

(1) A mobile application; and

(2) An internet website.

The department may authorize retail establishments and nonprofit organizations to accept payment of an environmental stewardship fee and issue a license.

(b) The amount of the environmental stewardship fee shall be \$; provided that the chairperson may increase the fee by rule pursuant to chapter 91 not more frequently than once every five years.

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



1 **§171-D Penalties.** (a) A visitor who visits a state park,
2 beach, forest, hiking trail, or other natural area on state land
3 without first paying an environmental stewardship fee and
4 obtaining a license, in violation of section 171-B(b), shall be
5 liable for a civil fine not to exceed \$. The
6 assessment of penalties shall not begin until at least five
7 years after the effective date of this Act, to allow time for
8 effective implementation, public education, and enforcement.

9 (b) Any civil fine provided under this section may be
10 imposed by the circuit court or by the department after an
11 opportunity for a hearing pursuant to chapter 91. Imposition of
12 a civil fine shall not be a prerequisite to any civil fine or
13 injunctive relief ordered by the circuit court.

14 **§171-E Environmental stewardship fee special fund;**
15 **established.** (a) There is established within the state
16 treasury the environmental stewardship fee special fund, into
17 which shall be deposited:

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

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



(3) Appropriations made to the fund by the legislature;

and

(4) Grants and gifts made to the fund.

(b) The fund shall be administered and governed by the department:

(1) With transparency and accountability; and

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

(c) The department shall allocate moneys in the fund to be 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. Examples of permissible projects under this subsection include projects that directly restore, enhance, and protect, in perpetuity, natural resources and the State's unique and fragile ecological status, including projects that:

(1) Protect, restore, or enhance terrestrial and marine natural resources impacted by heavy usage of licensees;



(2) 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 bleaching, damage to land resources, and other impacts exacerbated by licensees; or

(3) Remove and control invasive species and propagate and plant native species in state-owned recreational areas utilized by licensees.

(d) The department shall allocate moneys in the fund to be expended directly by the department for administration of the program, including the creation and implementation of an environmental stewardship fee strategic plan that includes a timetable indicating how the objectives and policies of this part will be pursued and implemented.

(e) The department may allocate moneys to provide grants to the counties and nonprofit organizations; provided that the annual aggregate sum of grants to each of the counties and nonprofit organizations shall not exceed fifty per cent of the annual environmental stewardship fee revenue. In awarding



1 grants, the department shall prioritize projects that satisfy at
2 least one of the following:

3 (1) Develop nature-based solutions to environmental and
4 climate issues exacerbated by licensees;

5 (2) Provide significant protection, restoration, and
6 enhancement of Hawaii's natural resources in areas
7 impacted by licensees; or

8 (3) Increase the resilience of state-owned natural
9 resources impacted by licensees.

10 (f) The department may allocate moneys to provide
11 cost-matching funds for federal grants that satisfy any of the
12 following priorities:

13 (1) Develop nature-based solutions to environmental and
14 climate issues exacerbated by licensees;

15 (2) Provide significant protection, restoration, and
16 enhancement of Hawaii's natural resources in areas
17 impacted by licensees; or

18 (3) Increase the resilience of state-owned natural
19 resources impacted by licensees.

20 (g) The department may allocate moneys necessary for the
21 enforcement of this part, including any enforcement or legal



1 expenses incurred to enforce or collect penalties pursuant to
2 section 171-D.

3 (h) Moneys allocated from the fund shall be used for the
4 purposes described in this section; provided that these moneys
5 shall complement but shall not supplant other moneys regularly
6 appropriated for those purposes.

7 **§171-F Grants; qualifications and conditions.** (a) For
8 purposes of grants awarded pursuant to this part, any
9 organization requesting a grant shall:

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

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

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

18 (b) Recipients of grants shall be subject to the following
19 conditions:

20 (1) Any county or nonprofit organization requesting a
21 grant shall submit its request together with all



information required by the department on an
application form prescribed by the department;

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

(3) The recipient of a grant shall comply with applicable
federal, state, and county laws;

(4) The recipient of a grant shall comply with any other
requirements the department may prescribe;

(5) The recipient of a grant shall allow the department,
legislative bodies, and auditor full access to
records, reports, files, and other related documents
so that the program, management, and fiscal practices
of the grant recipient may be monitored and evaluated
to assure the proper and effective expenditure of
public funds;

(6) Each grant shall be monitored pursuant to rules or
policies established by the department to ensure
compliance with this part; and

(7) Any recipient of a grant under this section who
withholds or omits any material fact, deliberately
misrepresents facts to the department, or violates the



1 terms of the recipient's contract shall be considered
2 to be in violation of this section and, in addition to
3 any other penalties provided by law, shall be
4 prohibited from applying for a grant under this part
5 for a period of five years from the date of
6 termination.

7 (c) The department shall use best efforts to provide grant
8 recipients with access to any state lands or natural resources
9 necessary to effectuate the project for which the grant is
10 awarded.

11 **§171-G Report to legislature.** (a) No later than twenty
12 days before the convening of the regular session of 2027 and
13 each year thereafter, the department shall submit a report to
14 the legislature.

15 (b) The report shall contain information on ways that the
16 fund restored, enhanced, and protected Hawaii's state-owned
17 natural resources and unique and vulnerable ecosystem during the
18 previous fiscal year, as well as the benefits that have accrued
19 or will accrue from those expenditures for the benefit of the
20 State's natural resources.



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

§171-H Rules. The department may adopt rules pursuant to chapter 91 necessary for the purposes of this part, including any rules necessary to increase license fees and to ensure that persons who purchase a license are aware that the license is broader than an entrance fee to visit a specific state park, forest, hiking trail, or other natural area on state land, which is used explicitly for that park, forest, hiking trail, or other natural area."

SECTION 3. The department of land and natural resources shall submit a report on the creation and implementation of the environmental stewardship fee strategic plan and timetable indicating how the objectives and policies of the environmental stewardship fee program will be pursued and implemented, including its findings, recommendations, and any proposed legislation, to the legislature no later than December 1, 2025.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal



1 year 2026-2027 to be deposited into the environmental
2 stewardship fee special fund.

3 SECTION 5. There is appropriated out of the environmental
4 stewardship fee special fund the sum of \$ or so much
5 thereof as may be necessary for fiscal year 2025-2026 and the
6 same sum or so much thereof as may be necessary for fiscal year
7 2026-2027 for the environmental stewardship fee strategic plan
8 with a timetable indicating how the objectives and policies
9 established in part of chapter 171, Hawaii Revised Statutes,
10 will be pursued and implemented.

11 The sums appropriated shall be expended by the department
12 of land and natural resources for the purposes of this Act.

13 SECTION 6. The appropriation made by section 5 of this Act
14 shall not lapse at the end of the fiscal year for which the
15 appropriation is made; provided further that all moneys from the
16 appropriation unencumbered as of June 30, 2028, shall lapse as
17 of that date.

18 SECTION 7. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$ or so
20 much thereof as may be necessary for fiscal year 2025-2026 and
21 the same sum or so much thereof as may be necessary for fiscal



1 year 2026-2027 for the establishment of the following positions
2 for the environmental stewardship fee program:

3 (1) Two full-time equivalent (2.0 FTE) program
4 specialists;

5 (2) One full-time equivalent (1.0 FTE) office assistant;

6 (3) One full-time equivalent (1.0 FTE) clerk V; and

7 (4) One full-time equivalent (1.0 FTE) accountant.

8 The sums appropriated shall be expended by the department
9 of land and natural resources for the purposes of this Act.

10 SECTION 8. In codifying the new sections added by
11 section 2 of this Act, the revisor of statutes shall substitute
12 appropriate section numbers for the letters used in designating
13 the new sections in this Act.

14 SECTION 9. This Act does not affect rights and duties that
15 matured, penalties that were incurred, and proceedings that were
16 begun before its effective date.

17 SECTION 10. This Act shall take effect on July 1, 2025;
18 provided that part II of this Act, except section 171-E, Hawaii
19 Revised Statutes, shall take effect on July 1, 2027.

20
INTRODUCED BY: _____



S.B. NO. 1164

Report Title:

DLNR; Environmental Stewardship Fees; Report; Appropriations

Description:

Establishes the Environmental Stewardship Fee Program within the Department of Land and Natural Resources, through which the DLNR shall, after 7/1/27, collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes the Environmental Stewardship Fee Special Fund. Requires a report to the Legislature. Appropriates funds.

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

