

Honolulu, Hawaii

**MAR 30 2026**RE: H.B. No. 1949  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committees on Water, Land, Culture and the Arts,  
Economic Development and Tourism, and Agriculture and Environment,  
to which was referred H.B. No. 1949, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GREEN FEE,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Green Fee Transparency and Accountability Program and Green Fee Resiliency Impact Dashboard, to be administered by the Hawaii Climate Change Mitigation and Adaptation Commission; and
- (2) Appropriate funds.

Your Committees received testimony in support of this measure from the Department of Agriculture and Biosecurity; Department of Land and Natural Resources; Office of Hawaiian Affairs; Green Fee Advisory Council; Hawai'i State Youth Commission; Hawai'i Green Growth; Care for 'Āina Now Coalition; Kupu; Women Organizing for Change in Agriculture and Natural Resource Management; Kauai Path, Inc.; Kua'āina Ulu 'Auamo; Hawai'i Ocean Legislative Task Force; Hawaiian Council; Maui Bicycling League; Mālama Pūpūkea-Waimea; Climate Future Forum; Activities and Attractions Association of Hawaii, Inc.; Hawai'i Community Foundation; The Nature Conservancy,



Hawai'i and Palmyra; Hawaii Reef and Ocean Coalition; Climate Protectors Hawaii; Restore the Commons; and ten individuals.

Your Committees received comments on this measure from the Office of the Governor and the Office of Planning and Sustainable Development.

Your Committees find that the State's natural resources form the foundation of the State's identity, economy, and overall well-being, but these very same resources attract an increasing amount of tourists to the State, straining and threatening the health and sustainability of the State's environment and ecosystems. Through the enactment of Act 96, Session Laws of Hawaii 2025, the State established a "green fee" to convert the problem into a solution, increasing taxes on tourism to generate revenues for eco-friendly projects, such as coral reef restoration, watershed management, and climate change mitigation. While the "green fee" represents a step in the right direction for environmental stewardship, your Committees believe that the State is constitutionally obligated to ensure transparent and responsible use of "green fee" revenues. This measure will support informed decision-making, promote fiscal responsibility and accountability, and strengthen public accessibility and trust in the State's stewardship efforts.

Your Committees note that significant work was conducted by the Green Fee Advisory Council to solicit and evaluate numerous proposals to be funded by green fee revenues. However, your Committees also find that minimal information regarding these proposals has been made available to the Legislature, including the nature of some proposals and which private organizations were selected for funding. This may lead to duplicative efforts by private organizations who have also pursued funding requests through the State's Grant-In-Aid Program and other channels and may obscure proposals for environment, conservation, and sustainable tourism under consideration by the Legislature that better merit funding. Additionally, your Committees find that it is unclear whether respective state departments or their programs have the legal authority or funding pathways to provide expected grants to selected private organizations, regardless of the merit of their work. Also, since the Green Fee Advisory Council made its recommendations in December, numerous incidents have transpired, including storms, flooding, and power outages, which may require funding and support, and the Legislature has considered numerous bills proposed by members of the community



around the State related to environment, conservation, and tourism that have been the subject of numerous hearings and public comment. Therefore, your Committees believe that placeholders should be included in this measure for all the proposals selected by the Green Fee Advisory Committee, except those that appear to include grants for private organizations, to encourage further consideration.

Accordingly, your Committees have amended this measure by:

- (1) Specifying that the Green Fee Transparency and Accountability Program shall coordinate with the Department of Budget and Finance for the tracking of the finances for each project and agency receiving or expending green fee revenues;
- (2) Clarifying that the report required for submittal by the Hawaii Climate Change Mitigation and Adaptation Commission to the Legislature, Governor, and Mayor of each county no later than December 1 of each year beginning in 2026, shall summarize green fee revenue allocations and expenditures during the prior fiscal year in consultation with the Department of Budget and Finance;
- (3) Inserting a blank appropriation amount to be deposited into the Special Land and Development Fund established pursuant to section 171-19, Hawaii Revised Statutes, to fund green fee projects, under certain conditions;
- (4) Inserting a blank appropriation amount to be expended by designated agencies for the purposes of this measure; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that this measure, as amended, contains appropriations and green fee project proposals for unspecified amounts. Should your Committee on Ways and Means choose to deliberate on this measure, your Committees respectfully request that it consider inserting appropriate amounts.

Your Committees further note that:



- (1) The Green Fee Resiliency Impact Dashboard should update in real-time and enable projects to be searchable by specific island, to provide oversight and transparency; and
- (2) The scorecard or metrics used to select and recommend which nonprofit organizations and private organizations are awarded green fee revenues should be made public and identified to the Legislature for each organization that submits a proposal to receive green fee revenues.

Accordingly, your Committees respectfully request that subsequent Committees to which this measure is referred consider these issues.

As affirmed by the records of votes of the members of your Committees on Water, Land, Culture and the Arts, Economic Development and Tourism, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1949, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1949, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

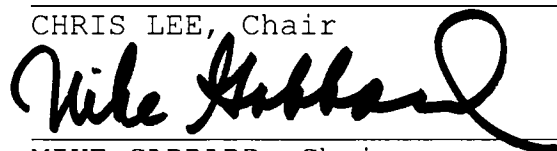
Respectfully submitted on behalf of the members of the Committees on Water, Land, Culture and the Arts, Economic Development and Tourism, and Agriculture and Environment,



LYNN DECOITE, Chair



CHRIS LEE, Chair

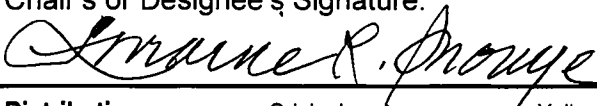


MIKE GABBARD, Chair



The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Water, Land, Culture and the Arts**  
**WLA**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1949 HD1	WLA/EDT/AEN, WAM	3-25-2026		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)		✓		
CHANG, Stanley	✓			
LAMOSAO, Rachele				✓
DECORTE, Samantha	✓			
<b>TOTAL</b>	3	1		1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:            Original    Yellow    Pink File with Committee Report    Committee    Drafting Agency				

\*Only one measure per Record of Votes

The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Economic Development and Tourism**  
**EDT**

Bill / Resolution No.:* <b>HB1949, HD1</b>	Committee Referral: <b>WLA / EDT / AEN, WAM</b>	Date: <b>03/25/26</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)	✓			
WAKAI, Glenn (VC)	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado			✓	✓
FEVELLA, Kurt		✓		
<b>TOTAL</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
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