JAN 2 1 2022

#### A BILL FOR AN ACT

RELATING TO NATURAL RESOURCE MANAGEMENT.

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

- 1 SECTION 1. The legislature finds that each year, Hawaii's
- 2 reefs, oceans, beaches, and forests provide billions of dollars
- 3 in value to the economy, supporting the well-being of the
- 4 State's communities and visitors alike. Hawaii cannot
- 5 disentangle its environment from its economy. Therefore,
- 6 residents and visitors understand the value and importance of
- 7 Hawaii's natural resources. Inseparable from the culture of
- 8 Hawaii, Hawaii's environment is integral to the experiences of
- 9 residents and visitors.
- 10 The legislature further finds that although these natural
- 11 resources are critical for the visitor industry and resident
- 12 communities, Hawaii's total natural resources management funding
- 13 constitutes a major unfunded liability that poses a significant
- 14 risk to the business climate and the economic resiliency of the
- 15 State. The State's vital ecosystems and the resources they
- 16 harbor continue to decline, due to lack of adequate investment
- 17 in proven and effective conservation approaches. Data

- 1 demonstrates growing concern that the lack of adequate plans to
- 2 address the multitude of issues contributes to the continued
- 3 decline to Hawaii's environment.
- 4 The legislature further finds that millions of visitors
- 5 enjoyed the benefits of Hawaii's ecosystem and natural
- 6 environment in 2021, and the number of visitors is expected to
- 7 continue to rise in the future. Increased demand on Hawaii's
- 8 natural resources requires innovative conservation plans and
- 9 programs focused on reversing the decline in ecosystems and the
- 10 associated risks for Hawaii's visitor industry and communities;
- 11 such as the innovative financing mechanism of green fees and
- 12 other assessments to address funding natural resource management
- 13 and climate change mitigation. By prioritizing the protection
- 14 of Hawaii's ocean, forest, and freshwater ecosystems and
- 15 following the benchmarks set forth in the Aloha+ Challenge
- 16 natural resource management goals, the legislature seeks to
- 17 better understand how the governor's administration, state
- 18 departments and agencies, and their private partners are working
- 19 together to set forth plans to accomplish the climate change
- 20 goals of the State.

1	The purpose of this Act is to appropriate funds for a stud											
2	to identify the current plans, programs, funding sequences and											
3	plans, and allocations of state revenue in place to achieve the											
4	Aloha+ Challenge natural resource management goals.											
5	SECTION 2. (a) The office of planning and sustainable											
6	development shall conduct a study that includes but is not											
7	limited t	limited to the following:										
8	(1)	Iden	tification of:									
9		(A)	Current plans and programs established to meet									
10			the Aloha+ Challenge natural resource management									
11			2030 goals;									
12		(B)	Investments focused on protecting Hawaii's ocean,									
13			forest, and freshwater ecosystems to ensure the									
14			perpetuation of the resources and resilience to									
15			climate change;									
16		(C)	Current sources of funding; and									
17		(D)	Priority areas where natural resources are in									
18			extreme threat;									
19	(2)	An analysis and breakdown of Hawaii's conservation										
20		funding gap that exists in current natural resource										
21		management funding relative to meeting the needs and										

1		priorities identified in the Aloha+ Challenge natural
2		resource management 2030 goals and the extent to which
3		Hawaii's unfunded conservation liabilities will
4		increase based on the current rate of funding;
5	(3)	An analysis and review of the current utilization and
6		effectiveness of natural resource management funding
7		throughout state departments and agencies;
8	(4)	An examination of all existing tax and fee structures
9		that exist to support natural resource management
10		efforts, including all sources of funding and
11		allocation of the funds to address the Aloha+
12		Challenge natural resource management 2030 goals;
13	(5)	An examination of all existing tax and fee structures
14		placed on residents and visitors, including an
15		estimated per resident and per visitor annual
16		contributions;
17	(6)	An analysis and recommendations on the existing
18		funding structures and the advantages or disadvantages
19		of increasing, decreasing, or reallocating existing
20		taxes and fees relative to addressing the funding

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1	needs	to	achieve	the	Aloha+	Challenge	natural	resource
2	manage	emer	nt 2030 g	goals	s;			

- (7) An analysis of all innovative financing mechanisms

  that will ensure the most effective management of

  funds and result in use of revenues collected for the

  specific purposes of this Act, such as green fees and

  other assessments to address funding natural resource

  management and climate change mitigation;
- 9 (8) Identification of potential short-term and long-term
  10 impacts on Hawaii's tourism industry, including
  11 possible market impacts and economic and workforce
  12 considerations; and
- 13 (9) Development of a seven-year achievement plan with the
  14 recommendation of funding sources to begin no later
  15 than July 1, 2024, including proposed funding sources,
  16 benchmarks, indicators, and mandatory impact
  17 reporting.
- (b) The office of planning and sustainable development, in consultation with the Hawaii tourism authority, department of business, economic development, and tourism, and department of

1 land and natural resources, shall engage with stakeholders and 2 industry leaders, including but not limited to: 3 (1) The director of finance; 4 (2) The director of taxation; 5 (3) Representatives of other relevant state agencies; 6 (4) Representatives of business or industry groups whose 7 respective members would be affected by the 8 implementation of the plan; 9 (5) Representatives of non-governmental organizations 10 having an interest in climate change issues and 11 natural resource protection; and 12 (6) Other relevant parties necessary to assist in 13 fulfilling the Aloha+ Challenge natural resource 14 management 2030 goals. 15 (c) The office of planning and sustainable development 16 shall submit an interim report to the legislature of its 17 progress, participants, findings, recommendations, and timeline 18 for completion of the plan no later than December 31, 2022. 19 (d) The office of planning and sustainable development 20 shall submit a final report to the legislature of its progress,

participants, findings, and recommendations, including the

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- implementation plan to achieve the Aloha+ Challenge natural 1
- resource management 2030 goals, no later than October 31, 2023. 2
- 3 SECTION 3. There is appropriated out of the general
- revenues of the State of Hawaii the sum of \$ or so 4
- much thereof as may be necessary for fiscal year 2022-2023 for a 5
- study to be conducted by the office of planning and sustainable 6
- 7 development pursuant to section 2 of this Act.
- 8 The sum appropriated shall be expended by the office of
- planning and sustainable development for the purposes of this 9
- 10 Act; provided that no funds shall be made available under this
- Act unless the office of planning and sustainable development 11
- 12 obtains matching funds from the private sector for at least
- fifty per cent of the cost of the study. 13
- 14 SECTION 4. This Act shall take effect on July 1, 2022.

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#### Report Title:

Tourism; Aloha+ Challenge Natural Resource Management 2030 Goals Study; Appropriation

#### Description:

Requires the Office of Planning and Sustainable Development to conduct a study assessing the current plans and programs to achieve the Aloha+ Challenge natural resource management 2030 goals. Requires the Office of Planning and Sustainable Development to make recommendations in achieving those goals. Appropriates funds.

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