

EXECUTIVE CHAMBERS KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA

### House Committee on Energy & Environmental Protection Tuesday, February 13, 2024 9:30 a.m. State Capitol, Conference Room 325 and Videoconference

#### In Support H.B. No. 2406, Relating to State Finances

Chair Lowen, Vice Chair Cochran, and members of the House Committee on Energy & Environmental Protection:

Thank you for the opportunity to testify in support of H.B. No. 2406, Relating to State Finances. H.B. No. 2406 recognizes the immediacy of protecting and preserving Hawaii's natural resources and is but one of several proposals offered by our Administration during the Thirty-Second Legislature to address the impacts of climate change and the impacts of people on our environment.

H.B. No. 2406 would establish the Climate Health and Environmental Action Special Fund (Special Fund) to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations, the taxes of which would be deposited into the Special Fund. H.B. No. 2406 appropriates \$500,000 in general funds into and out of the Special Fund to support its intended purposes. The Special Fund would serve as a revenue source for specific purposes, including wildfire prevention and response strategies, flood prevention, emergency drinking water supplies, shoreline restoration and coastal management, and preparation of climate crises prevention and response strategies and plans.

The \$25 Transient Accommodations Tax (TAT) on each furnishing of a transient accommodation, including transient accommodations furnished for cash or charge, at no charge, on a complimentary or gratuitous basis, for a nominal charge, or in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program, will serve as a much-needed source of funding that is dedicated to minimizing the impacts of climate change and the impacts on our environment by visitors, residents, and all who enjoy and appreciate our natural resources. While the Office of the Governor firmly supports this provision to accelerate and further efforts to deal with climate change, we respectfully request your consideration of the amendments offered by the Department of Taxation (DOTAX) in its testimony. DOTAX's amendments

Testimony of Office of the Governor H.B. No. 2406 February 13, 2024 Page 2

provide a practicable and more efficient means of administering the allocation of revenues from the \$25 TAT.

Recognizing that collaboration across disciplines and sectors is essential to address climate change, H.B. No. 2406 would establish a technical advisory committee to advise the Department of Land and Natural Resources on strategies to prevent and respond to climate crises. In addition, H.B. No. 2406 recognizes that Hawaii's housing crisis has a tremendous impact on our environment and people. This bill includes a provision for exempting from the TAT certain housing used for emergencies during a state disaster. The State has a compelling and urgent need to provide increased funding to prevent climate crises and address the shortage of affordable housing through incentives.

The costs of combating climate change are immense. However, the cost of not taking immediate action will be far greater on our environment, agriculture, property, human health, and our State. H.B. No. 2406 advances efforts to prevent climate crises and more effectively respond to these crises when they occur.

The Office of the Governor looks forward to continued work with your Committee and other members of the Legislature on H.B. No. 2406, and respectfully requests your favorable consideration of this bill and DOTAX's proposed amendments.

Thank you very much for the opportunity to provide testimony on this measure.

SYLVIA LUKE LT. GOVERNOR



GARY S. SUGANUMA DIRECTOR

KRISTEN M.R. SAKAMOTO DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF TAXATION Ka 'Oihana 'Auhau P.O. BOX 259 HONOLULU, HAWAI'I 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

#### TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

#### **TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 2406, Relating to State Finances.

**BEFORE THE:** House Committee on Energy & Environmental Protection

DATE:	Tuesday, February 13, 2024
TIME:	9:30 a.m.
LOCATION:	State Capitol, Room 325

Chair Lowen, Vice-Chair Cochran, and Members of the Committee:

The Department of Taxation ("Department") <u>supports</u> the Governor's initiative to minimize the impacts of climate crises in H.B 2406, an Administration measure, and offers the following comments for your consideration.

Section 3 of this bill, on page 19, line 16, imposes a transient accommodations tax (TAT) of \$25 on each furnishing of a transient accommodation, including transient accommodations furnished for cash or charge, at no charge, on a complimentary or gratuitous basis, for a nominal charge, or in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program. The \$25 tax would be in addition to the 10.25 percent TAT and would apply on each booking of a transient accommodation, except for accommodations furnished at no charge or on a complimentary or gratuitous basis, for the purpose of providing emergency housing to persons displaced by an officially declared state disaster. The measure would distribute all revenues collected from the new \$25 tax to the climate health and environmental action special fund.

The Department notes that the allocation of revenues from the \$25 tax would be difficult for the Department to administer. Currently, the Department determines the TAT allocations based on the total TAT actually collected for the month. Based on the total

Department of Taxation Testimony HB 2406 February 13, 2024 Page 2 of 4

TAT collected, a formula is applied to determine the excess of revenues collected at the 9.25 percent rate, which is distributed to the mass transit special fund in accordance with section 237D-2(e), HRS. The remainder of the TAT collected is allocated to various special funds and the general fund based on the amounts specified in section 237D-6.5, HRS.

This bill would require the Department to segregate the amounts collected from the \$25 TAT from the remainder of the TAT revenues to calculate the allocation to the mass transit special fund and the climate health and environmental action special fund. This will require a fundamental change in the way that the Department accounts for and reports on TAT revenues. This would also create administrative difficulties, as the amounts reported do not always match the amounts paid with the return. Accordingly, the Department requests that the bill be amended to (1) allocate a set dollar amount or percentage of total TAT revenues collected to the climate health and environmental action special fund and, (2) allocate a set dollar amount or percentage of total TAT revenues collected to the mass transit special fund.

Specifically, the Department requests the following amendments:

- 1. Delete the proviso on page 20, lines 1 to 3, which provides "which shall be deposited into the climate health and environmental action special fund established under chapter \_\_."
- 2. Amend page 18, line 11, to page 19, line 15, as follows:

Notwithstanding the tax rates established in (e) subsections (a) (5) and (c) (3), the tax rates levied, assessed, and collected pursuant to subsections (a) and (c) shall be 10.25 per cent for the period beginning on January 1, 2018, to December 31, 2030; provided that: [The] per cent of the tax revenues levied, (1)assessed, and collected pursuant to this [subsection that are in excess of the revenues realized from the levy, assessment, and collection of tax at the 9.25 per cent rate section shall be deposited guarterly into the mass transit special fund established under section 248-2.7; and

(2) If a court of competent jurisdiction determines that the amount of county surcharge on state tax revenues deducted and withheld by

Department of Taxation Testimony HB 2406 February 13, 2024 Page 3 of 4

> the State, pursuant to section 248-2.6, violates statutory or constitutional law and, as a result, awards moneys to a county with a population greater than five hundred thousand, then an amount equal to the monetary award shall be deducted and withheld from the tax revenues deposited under paragraph (1) into the mass transit special fund, and those funds shall be a general fund realization of the State.

The remaining tax revenues levied, assessed, and collected [at the 9.25 per cent tax rate pursuant to subsections (a) and (c)] shall be deposited into the general fund in accordance with section 237D-6.5(b).

#### 3. Amend page 13, lines 10 to 16, as follows:

- (f) The following shall be deposited into the fund:
- (1) [Revenues raised pursuant to section 237D-2(f);] A portion of the revenues from the transient accommodations tax, as provided by section 237D-6.5;
- (2) Revenues directed to the fund by the chairperson from site-based and other fees established by the department; and
- (3) Other moneys appropriated to the fund by the legislature.

#### 4. Amend Section 5 of this bill, page 22, line 14, to page 24, line 15, to read as follows:

(b) Except for the revenues collected pursuant to section 237D-2(e), revenues collected under this chapter shall be distributed in the following priority, with the excess revenues to be deposited into the general fund:

(1) \$1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the Department of Taxation Testimony HB 2406 February 13, 2024 Page 4 of 4

> conservation easement and other real property interests in Turtle Bay, Oahu, for the protection, preservation, and enhancement of natural resources important to the State, until the bonds are fully amortized;

- (2) \$11,000,000 shall be allocated to the convention center enterprise special fund established under section 201B-8;
- (3) An allocation shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in the tourism emergency special fund; [and]
- (4) \$3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:
  - (A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches, important to the visitor industry;
  - (B) Planning, construction, and repair of facilities; and
  - (C) Operation and maintenance costs of public lands, including beaches, connected with enhancing the visitor experience [-]; and
- (5) \$ shall be allocated to the climate health and environmental action special fund established under section -2.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection.

Thank you for the opportunity to provide testimony in support of this measure.



#### TESTIMONY OF DANIEL NĀHO'OPI'I INTERIM PRESIDENT & CEO, HAWAI'I TOURISM AUTHORITY BEFORE THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Tuesday, February 13, 2024 9:30 a.m. In consideration of HB 2406 RELATING TO STATE FINANCES

Aloha Chair Lowen, Vice Chair Cochran, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) appreciates the opportunity to offer comments on HB2406, to establish the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources (DLNR) to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations.

The ethic of mālama – care and stewardship – is the core of HTA's visitor education efforts. Hawai'i's environment is a treasure, and it is our collective kuleana to protect it for the generations to come. Fulfilling that responsibility takes funding. We agree with the intent of this legislation to fund natural resource stewardship as it is in alignment with our Strategic Plan priorities in the Natural Resources pillar, as well as action items in our community-generated Destination Management Action Plans.

There are several proposals before the Legislature this session for a green fee or tax, and we are continuing to solicit feedback and examine which model makes the most sense for the industry and for the traveling public. Whichever model this Legislature decides upon to facilitate visitor contributions to the care of our natural resources, we advocate the timely, transparent, and tangible reinvestment of those collections into our natural environment – the more direct the better.

We stand ready to assist in educating visitor industry stakeholders and visitors on the implications of this measure, and we defer to our colleagues at the Department of Taxation as well as DLNR on matters related to its implementation.

Mahalo for the opportunity to provide these comments.

JOSH GREEN, M.D. GOVERNOR | KE KIA'ÄINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ÄINA





#### STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

#### Before the House Committee on ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, February 13, 2024 9:30AM State Capitol, Conference Room 325, Via Videoconference

#### In consideration of House Bill 2406 RELATING TO STATE FINANCES

House Bill 2406 establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations and exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax. The Department <u>supports</u> this measure.

Hawai'i's natural and cultural resources provide our drinking water and sustain all life on our islands, are huge economic assets and prime attractions of our tourism industry, and support the well-being, health, and identity of our communities. For example, a University of Hawai'i study examined the various services provided by O'ahu's Ko'olau forests - including drinking water recharge, flood prevention, water quality, carbon storage, biodiversity, cultural, aesthetic, recreational, and commercial values. These services were calculated to have a net present value of between \$7.4 and \$14 billion. Coral reefs – the first line of defense to large ocean swells - annually protect \$836 million in averted damages to property and economic activity in Hawai'i. Despite the value of our forests and oceans, Hawai'i invests less than 1% of the total State budget into maintaining these assets.

The establishment of fees in several other tourism-focused economies has allowed places like the Republic of Palau, Galapagos Islands, New Zealand, and the Maldives to increase investment in their natural resources - reducing the overall impact of tourism on their environments, improving the quality of visitor experiences, and supporting community stewardship of these special places. Visitors and many residents do not mind paying a green fee because they know it goes back to caring for the beautiful places and resources they enjoy. For example, the Department's Division of State Parks executed a parking and

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> RYAN K.P. KANAKA'OLE FIRST DEPUTY

DEAN D. UYENO ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND CASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS entry fee increase for out of state visitors during the pandemic in 2020. This action, coupled with the return of the visitor industry, contributed to a substantial increase in special fund revenue to address decades of deferred repair and maintenance at State Parks across the state. The fee increase was modest and the out of state visitor is accustomed to paying fees at other municipal, State and National Parks. Additionally, when the visitor learns the parking and entry revenue is specifically reinvested in State Park management, they are supportive.

In 2001, the Department conducted a study to determine Hawai'i's willingness to support increased funding for watershed protection. Respondents were presented with various means by which the increased funds could be raised (general funds, taxes, or fees). A majority supported the use of environment-related taxes (7.4 out of 10), or a visitor-related tax (8.0 out of 10). Palau adds a green fee to all airline passengers leaving the island state and adds the funds to an environmental management fund. Palau, New Zealand, and the Maldives have not experienced a decline in visitors due to their green fees.

The establishment of this fund is an important piece to closing the gap between existing and needed funding for the management of Hawai'i's natural resources. Any fee along with innovative financing mechanisms such as carbon offsets for reforestation and improved forest management would move Hawai'i forward in addressing climate change and mitigating the impacts of Hawaii's tourism economy. This program would bolster the State's existing investments in natural resource management, protect public trust resources, and help fill Hawai'i's conservation funding gap.

The Department respectfully recommends that the language of this bill be amended to add positions to ensure the effective implementation of the program including two (2) FTE Program Specialists, one (1) FTE Office Assistant, two (2) FTE Account Clerk V, and one (1) FTE Accountant V.

Mahalo for the opportunity to testify on this measure.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

LT GOVERNOR



JAMES KUNANE TOKIOKA

An Agency of the State of Hawaii

**GWEN S YAMAMOTO LAU** EXECUTIVE DIRECTOR

CHAIR

#### Testimony of **Gwen Yamamoto Lau** Executive Director Hawaii Green Infrastructure Authority before the HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION February 13, 2024, 9:30 AM State Capitol, Conference Room 325 in consideration of HOUSE BILL NO. 2406 **RELATING TO STATE FINANCES**

Chair Lowen, Vice Chair Cochran, and Members of the Energy & Environmental Protection Committee:

Thank you for the opportunity to testify and provide comments on House Bill No.2406, relating to State Finances. The Hawai'i Green Infrastructure Authority (HGIA) supports this bill which establishes a Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources funded by a tax on certain transient accommodations.

HGIA, Hawaii's Green Bank, works to advance the State's goal of a 100% renewable portfolio standard in energy production while supporting decarbonization and climate change resiliency. This bill will add to the State of Hawaii's financial resources for effective stewardship of our state's natural and cultural resources to reduce the risk to livelihood and wellbeing presented by wildfires, coastal erosion, coral reef degradation, sea level rise, extreme flooding, biodiversity collapse, heatwaves, and other climate crises.

Through our work financing energy infrastructure as well as our outreach with frontline communities some of whom are already impacted by sea level rise, HGIA understands that building effective resiliency and adaptation to climate change represents a significant cost. The Climate Health and Environmental Action Special Fund will create a new mechanism for the visitor industry to provide financial resources to mitigate its environmental and carbon-emission impacts.

Thank you for this opportunity to testify and provide comments on House Bill No. 2406.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

**JOSH GREEN, M.D.** GOVERNOR KE KIA'ĀINA



KENNETH S. HARA DIRECTOR OF EMERGENCY MANAGEMENT

JAMES DS. BARROS ADMINISTRATOR OF EMERGENCY MANAGEMENT

STATE OF HAWAII KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF DEFENSE KA 'OIHANA PILI KAUA HAWAI'I EMERGENCY MANAGEMENT AGENCY 4204 DIAMOND HEAD ROAD

HONOLULU, HAWAI'I 96816-4420

STATE OF HAWAI'I DEPARTMENT OF DEFENSE HAWAI'I EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON HOUSE BILL 2406, RELATING TO EMERGENCY MANAGEMENT

#### BEFORE THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

ΒY

JAMES DS. BARROS ADMINISTRATOR HAWAI'I EMERGENCY MANAGEMENT AGENCY

#### FEBRUARY 13, 2024

Aloha Chair Lowen, Vice-Chair Cochran, and Members of the Committee:

Thank you for the opportunity to submit testimony to **SUPPORT** HB 2406.

The tragic events of the August Wildfires on Maui highlight the changing climate and how Hawai'i's natural environment is facing significant pressure from climate change and the heavy use it receives from persons traveling to enjoy the State's natural resources.

The Hawai'i Emergency Management Agency (HI-EMA) **SUPPORTS HB2406.** This act provides a responsible funding source to help the state address the many threats climate change entail.

The current underinvestment in our natural and cultural resources significantly limits the ability of the State and our communities to improve management of our lands, waters, and cultural sites to reduce these risks and to respond to the climate crises ever grown threat.

Climate change will intensify and increase the possibility of these emergencies unless we take significantly greater action now to prevent them. House Bill 2406 provides a funding source to address the many challenges facing the state and local communities as it addresses this ongoing crisis. The State and the counties currently do not have the needed resources to implement even the highest priority of climate crises prevention.

Monies from this new program will be collected specifically from visitors as an acknowledgement of the impact tourism has on this state. The funds will be allocated to help programs intended to address and preserve the resources that bring millions to the islands each year.

I am in **strong support** of this bill and would request that DLNR share a portion of the Transit Accommodation Tax (TAT) with HI-EMA to help cover climate mitigation projects, provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget.

Climate health and environmental preservation is a goal we all can share and HB 2406 is a downpayment on making sure Hawai'i is prepared to act on and respond to the challenges we face.

Thank you for the opportunity to provide testimony on House Bill 2406.

James Barros: james.barros@hawaii.gov; 808-733-4300



Statement of: Todd J. Robertson Hyperspective Before the COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Individual Testimony in Support of HB2406

Aloha Chair Lowen, Vice Chair Cochran, and Honorable Members of the Committee,

My name is Todd Robertson and I am submitting written testimony on behalf of myself and my company, Hyperspective in strong **support of**, which would help resource our environment through visitor investment and help close our \$360 million annual conservation funding gap. I have been a resident of the State of Hawai'i and the City and County of Honolulu for more than 25 years, and I care deeply about our island community, the well-being of our people, and the 'āina to which we all have the kuleana/responsibility to care for.

Being an island community, completely remote from other places, we face enumerable challenges in the protection of our reefs, our coastal environments, and our communities from multiple threats, as well as all of the endemic species that have existed here far longer than humans. These challenges are exacerbated by climate change which will come with massive financial pitfalls.

Visitors do play a major role in the stresses on our environment and local communities, and therefore, they must play a financial role in the solutions needed to deal with those stresses. If passed, HB2406 could play a role in the distribution of much-needed funds to protect and preserve our state's resources. Please be a part of protecting our 'āina, helping to restore our ecosystems, and managing our natural resources for a more resilient and sustainable community by passing this bill.

As our leaders you hold the privilege of directly supporting this, to do what is best for our communities, and creating a legacy of making Hawai'i safer and better for our future. Passing this bill will send a strong message to our community that you are committed to that cause.

**This bill must be passed immediately**, as the growing threats and challenges will not wait. Thank you for the opportunity to testify on this important bill.

Sincerely,

/1/1/th

Todd J. Robertson President/CEO, Hyperspective

HYPERSPECTIVE STUDIOS, INC. 643 ILALO STREET HONOLULU, HI 96813

**MAIL TO:** P.O. BOX 893636 MILILANI, HI 96789

HYPERSPECTIVE.COM 808.353.3618

#### <u>HB-2406</u>

Submitted on: 2/7/2024 8:37:11 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
laurel brier	Kauai Climate Action Coalition	Support	Written Testimony Only

Comments:

We must do what we can to take climate action and we need more funds to accomplish. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors who appreciate it. Our climate action coalition on Kauai continues to strongly support the Gree Fee for visitors.



#### Coalition Letter in Support of Funding for Natural Resource Stewardship & Restoration Care for 'Āina Now Coalition

Testimony in Support of HB2406 House Committee on Energy & Environmental Protection Tuesday February 13 2024 @ 9:30am

Aloha e Chair Lowen, Vice Chair Cochran, and Members of the EEP Committee,

Our coalition of organizations and small businesses listed below are writing in **strong support of HB2406 to generate funding for natural resource protection and restoration**. Previously known as the Hawai'i Green Fee Coalition, the **Care for 'Āina Now Coalition** is on a mission to enhance visitor stewardship, conserve our cultural and natural resources, and invest in our 'āina to keep our community safe.

The health of Hawai'i's environment is inextricably linked to the health of our people, communities, and future generations. Our natural and cultural resources provide over \$6 billion in value to our economy each year, yet have been chronically neglected and stewardship of these resources have been underfunded for decades. It's been estimated that we currently face a conservation funding gap of \$360 million/year. Today, this underinvestment continues to be a liability and risk to public safety. The more time that passes without healing our environment, the more lives, places, and communities are at risk of being harmed.

Our primary focus is adequate, permanent funding for the Department of Land and Natural Resources to support stewardship and restoration of our natural resources. There are simple ways our State can safeguard our 'āina and people this year, including passing legislation that ensures visitor taxes go back to our environment through the TAT, and allocating funds for wildfire prevention and ecosystem resilience. These will help Hawai'i chart a new course that can sustain us.

This coalition, which works on the frontlines of natural and cultural resource management across the State, applauds the legislature for continuing to consider these solutions. We urge you to consider the crucial need for sustainable, broad-based investment to meet the immense challenges our environment faces, offset the impact left by nearly 10 million annual visitors, and invest in the long-term health of our communities. Hawai'i's natural resources are invaluable to the livelihoods of our local residents and integral drivers of our statewide economy as well as our visitor industry.

careforainanow.org



Poll results from January 2023 reveal 89% of voters believe we must increase investment in our land, water, wildlife, and natural resources. The following priorities will help our State offset visitor impact: supporting broad funding of our natural and cultural resources, uplifting community groups to implement solutions to offset visitor impacts, and increasing the health and resilience of places frequented by residents and visitors.

## These 45 organizations and businesses support taking care of our environment so that Hawai'i can continue to nourish and care for us and future generations

- 1. Agripelago
- 2. Blue Planet Foundation
- 3. Care About Climate
- 4. Conservation International
- 5. Delphi Cinema
- 6. Excurinsure
- 7. Fish Pono–Save Our Reefs
- 8. Full Circle Farm
- 9. FutureSwell
- 10. Good Food Movement
- 11. Hawai'i Alliance for Community-Based Economic Development (HACBED)
- 12. Hawai'i Alliance for Progressive Action (HAPA)
- 13. Hawai'i Impact Collaborative
- 14. Hawai'i Land Trust
- 15. Hawai'i Reef and Ocean Coalition
- 16. Hawai'i Wildlife Fund
- 17. Hawai'i Youth Climate Coalition
- 18. Kailua Beach Adventures
- 19. Kanu Hawai'i
- 20. Kingdom Pathways
- 21. Kua'āina Ulu 'Auamo (KUA)
- 22. Kuleana Coral Restoration
- 23. Kupu
- 24. Leftover Love Co



- 25. Mālama Learning Center
- 26. Mālama Maunalua
- 27. Mālama Pupukea-Waimea
- 28. National Tropical Botanical Garden
- 29. Native Ecosystem Services
- 30. The Nature Conservancy
- 31. North Shore Community Land Trust
- 32. Papahānaumokuākea Marine Debris Project
- 33. Parley for the Oceans
- 34. Pono Hawai'i Initiative
- 35. Protea Zero Waste Store
- 36. Resources Legacy Fund
- 37. Reuse Hawai'i
- 38. Surfrider Foundation Hawai'i Chapters
- 39. Sustainable Coastlines Hawai'i
- 40. Trust for Public Land
- 41. Wakeful State
- 42. Wastewater Alternatives & Innovations (WAI)
- 43. Wild Kids
- 44. Young Progressives Demanding Action
- 45. Zero Waste Oʻahu
- 46. Zero Waste Hawai'i Island

Mahalo for your commitment to protecting Hawai'i's priceless natural assets, and please reach out with any questions at <u>aloha@careforaina.org</u>.

Mahalo, Doorae Shin Care for 'Āina Now Community Organizer

## LEGISLATIVE TAX BILL SERVICE

# **TAX FOUNDATION OF HAWAII**

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

#### SUBJECT: MISCELLANEOUS, TRANSIENT ACCOMODATIONS; Hike TAT to fund Climate Health and Environmental Action Special Fund

BILL NUMBER: HB 2406, SB 3095

INTRODUCED BY: HB by SAIKI; SB by KOUCHI (Governor's Package)

EXECUTIVE SUMMARY: Establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations. Exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax.

SYNOPSIS: Adds a new HRS chapter to establish the Climate Health & Environmental Action Special Fund ("Fund"). Section 1 provides applicable definitions. Section 2 establishes the special Fund to be administered by the department of land and natural resources to minimize the impacts and respond to climate crises. Subparagraph (b) designates purposes for Fund expenditures. Subsection (c) outlines priorities for funding preventive projects. Subparagraph (d) provides guidelines for Fund grant applications. States that revenues from HRS section 237D-2(f), fees established by the department and legislative appropriations will be deposited into the Fund.

Section\_\_\_\_\_- 3 provides for the issuance of revenue bonds to be paid for from revenues received pursuant to section \_\_\_\_\_-2(c) and section 237D-2(f).

Section \_\_\_\_\_\_-5 creates a technical advisory committee to advise the department on strategies to prevent and respond to climate crises.

Section \_\_\_\_\_\_-6 requires annual reports to the legislature and audits every three years.

Amends section 237D-2,HRS, by adding new subsection (f) to impose a \$25 tax on each furnishing of a transient accommodation, including transient accommodations furnished for cash or charge, at no charge, on a complimentary or gratuitous basis, for a nominal charge, or in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program which shall be deposited into the climate health and environmental action special fund.

Amends section 237D-3 to expand on the exemption for accommodations furnished at no charge to include accommodations furnished at no charge for the purposes of providing emergency housing as a result of a state disaster, as declared by the governor pursuant to sections 127A-14 or 209-2.

Amends section 237D-6.5 subsection (b) to exclude the subsection (f) \$25 tax from the TAT revenue distributions currently enacted.

Re: HB 2406, SB 3095 Page 2

Appropriates \$500,000 or so much as may be necessary from the State general revenues to the Fund for fiscal year 2024-2025. Appropriates the same out of the Fund to establish two FTE positions in the department of land and natural resources to administer the Fund.

#### EFFECTIVE DATE: January 1, 2025.

STAFF COMMENTS: This is an Administration measure sponsored by the Office of the Governor and designated GOV-03 (24).

Faced with pressure from climate change, this bill establishes the climate health and environmental action special fund ("Fund") and appropriations \$500,000 for the Fund and 2 FTE positions. Recognizing the toll visitors have taken on the state's natural resources, the Fund will receive a \$25 monthly tax to be imposed on visitor accommodations.

This bill appears to address constitutional concerns with prior year's proposals for a \$25 green fee on nonresidents to fund an environmental special fund. The tax will be an additional cost to the accommodation provider and may not be visible, but will be borne by both visitors and residents who avail themselves of accommodations.

With the recent ability of counties to impose their own TAT charge, Hawaii already has the highest accommodation tax in the country. Although the bill's proponents may think that this is simply picking the pockets of our tourists to remediate our beleaguered environment, there may be ripple effects from further squeezing our tourists. The tourists, of course, can go elsewhere. What policy makers need to realize is that the more they extract from the economy in taxes and fees, the more economic performance declines. As economic performance declines, so do tax revenues.

Additionally, the bill creates a special fund with scant justification. Yes, we could benefit by having money spent on our land and natural resources, but does that justify burdening the visitor industry with yet another tax and without going through the normal appropriation and budgeting process that also considers wildfire disaster relief, social service programs, or defective fire alarms in the schools? Rather than the continual earmarking of revenues, a direct appropriation of general funds to DLNR would be preferable. Earmarking revenues from any tax type for a particular purpose decreases transparency and accountability.

Digested: 2/9/2024

#### <u>HB-2406</u>

Submitted on: 2/10/2024 12:06:53 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ted Bohlen	Hawaii Reef and Ocean Coalition and Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

#### **STRONG SUPPORT!**

Hawaii faces an impending reality of climate warming, with increased storms, wildfires, and sea level rise. This comes on top of the existing degradation and underfunding of protection for our natural resources.

We need much more funding for natural resources. Visitors should pay a fair share of the costs. This proposal is one of several ways the Committee should approve to provide needed funding for natural resource protection and response to climate warming.

Mahalo!

Climate Protectors Hawaii (by Ted Bohlen)



Aloha Committee Members,

My name is Arwen Revere and I am a high school senior from Kailua. Today, I am representing the environmental organization Wild Kids. We strongly support HB 2406, which proposes the establishment of the Climate Health and Environmental Action Special Fund. As a citizen, I believe that this bill is a crucial step toward addressing the pressing issues posed by climate change in Hawai'i.

Hawai'i's natural environment is facing unprecedented challenges, including wildfires, coastal erosion, loss of reefs, and pollution of air and water supplies. The recent Lahaina wildfire tragedy on Maui serves as a stark reminder of the urgency to take significant action to prevent and mitigate climate crises. As a young person born and raised in Hawai'i, I have witnessed the increasing impact of climate change on our natural resources and cultural landscapes.

The proposed Climate Health and Environmental Action Special Fund is a proactive approach to addressing the underinvestment in our natural and cultural resources, which limits our ability to manage lands, waters, and cultural sites effectively. The fund's focus on wildfire prevention, flood prevention, coral reef protection, and other environmentally beneficial strategies is essential to protect our communities, preserve our cultural heritage, and sustain our tourism-dependent economy.

Furthermore, I appreciate the bill's emphasis on indigenous Hawaiian land and water stewardship practices, such as fishponds, loi kalo, and mauka-makai ahupuaa management. These practices not only contribute to the health and sustainability of Hawai'i's ecosystems but also foster community engagement, education, and changed behaviors toward responsible stewardship.

As a representative of Wild Kids Hawai'i, an organization dedicated to educating and empowering young people to be advocates for the environment, investing in preventative measures is not only cost-effective but also crucial for the long-term resilience of our state. The establishment of the Climate Health and Environmental Action Special Fund will provide the necessary resources to implement high-priority climate crisis prevention measures and respond effectively when crises occur.

I urge the committee to support HB 2406 and prioritize the well-being of Hawai'i's natural environment, cultural heritage, and the future of its residents. By taking decisive action now, we can work towards building a more resilient and sustainable future for Hawai'i.

Mahalo for your attention to this critical matter, and I appreciate your dedication to the well-being of our beautiful state.

Sincerely,

Arwen Revere

#### Individual Testimony in Support of HB2406 Committee on Energy & Environmental Protection

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

**My name is Hailey Campbell** and I am submitting written testimony, in my capacity as a resident and leader of a non-profit organization called Care About Climate, in <u>strong support of HB2406</u>, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. Each of these challenges is further compounded by the growing threat of climate change, which is rapidly changing communities, causing economic hardships, and harming nature at alarming rates worldwide and here at home, as exemplified by the recent wildfires on Maui.

Recently, I attended the 28th United Nations Climate Change Conference where concerns for accessing climate finance and ending our relationship with fossil fuels (the leading cause of climate change) were widely discussed. I was inspired by leadership from island nations who recognized the unique position of islands as leaders on sustainability, tourism hotspots, and places with rich cultural and natural heritage. Unfortunately, island nations' call to end the global reliance on fossil fuels was not heeded, sending everyone home wondering how they will raise funding to implement solutions to adapt to climate impacts.

Restoring and conserving natural ecosystems is a win-win solution for the climate and our community. Not only do strong ecosystems help reduce greenhouse gasses in our atmosphere that cause climate change, they also serve as a buffer against climate impacts and strengthen our state's economy as tourism destinations. SB2406 is a critical step to safeguarding our community from climate change, while ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources.

If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Thank you for taking my testimony into consideration.

Mahalo, Hailey Campbell Co-Executive Director, Care About Climate



## HB 2406, RELATING TO STATE FINANCES

FEBRUARY 13, 2024 · EEP HEARING

#### POSITION: Support.

**RATIONALE:** Imua Alliance <u>supports</u> HB 2406, relating to state finances, which establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations; and exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

Furthermore, according to research conducted by Michael B. Gerrard from Colombia Law School, modern-day slavery tends to increase after natural disasters or conflicts where large numbers of people are displaced from their homes. In the decades to come, says Gerrard, <u>climate change</u> will very likely lead to a significant increase in the number of people who are displaced

and, thus vulnerable, to human trafficking. While the Paris Climate Agreement of 2015 established objectives to limit global temperature increases and several international agreements are aimed at combating modern-day slavery, it is highly uncertain whether they will be adequate to cope with the scale of the problem that is likely to occur as a result of climate change.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Therefore, we should take steps to accelerate Hawai'i's efforts to address climate change and develop a clean economy, including by implementing "green fees" that ensure our state's visitors pay their fair share to sustain our 'āina. New Zealand, the Maldives, Cancun, and Venice, and numerous other countries have green fee programs for visitors, which vary from \$1 per night to a \$100 entrance fee for the purpose of environmental conservation. <u>Palau's per-tourist</u> <u>investment in its natural environment is \$92, New Zealand's is \$188, and the Galapagos Islands' is \$373. Hawai'i's is just \$9 per tourist</u>, according to a report from Conservation International's Green Passport initiative. We need to catch up. For the sake of our keiki, we cannot afford to wait to solidify strategies to preserve our island home for generations to come.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org



## TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAI'I

#### HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

#### **FEBRUARY 13, 2024**

#### HB 2406, RELATING TO STATE FINANCES

#### **POSITION: SUPPORT**

The Democratic Party of Hawai'i <u>supports</u> HB 2406, relating to state finances. Pursuant to the "Environment and Energy" section of the official Democratic Party of Hawai'i platform, the party believes "that all people have the right to live in a clean, healthy and safe environment. We believe that the preservation of our natural environment and its ecological well being is essential to ensuring a safe, healthy, bountiful life for future generations in Hawai'i. We support policies that create a more sustainable society. We support the restoration, preservation, and protection of native ecosystems."

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding.

Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring, like seawalls.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area–one-third of which is designated for urban use–without risking massive structural damage and, potentially, great loss of life.

Last year, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system to the north and Hurricane Dora to the south. The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September 2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. Investing in renewable energy generation could not be more urgent, given the growing threat of climate-induced catastrophes to our island home.

Therefore, we should take steps to accelerate Hawai'i's efforts to address climate change and develop a clean economy, including by implementing "green fees" that ensure our state's visitors pay their fair share to sustain our 'āina. New Zealand, the Maldives, Cancun, and Venice, and numerous other countries have green fee programs for visitors, which vary from \$1 per night to a \$100 entrance fee for the purpose of environmental conservation. <u>Palau's per-tourist investment in its natural environment is \$92, New Zealand's is \$188, and the Galapagos Islands' is \$373. Hawai'i's is just \$9 per tourist, according to a report from Conservation International's Green Passport initiative. We need to catch up. For the sake of our keiki, we cannot afford to wait to solidify strategies to preserve our island home for generations to come.</u>

Mahalo nui loa,

Kris Coffield Co-Chair, Legislative Committee (808) 679-7454 kriscoffield@gmail.com Abby Simmons Co-Chair, Legislative Committee (808) 352-6818 abbyalana808@gmail.com

#### <u>HB-2406</u>

Submitted on: 2/11/2024 8:56:23 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alexandra Kahn	Kahana Foundation	Support	Written Testimony Only

Comments:

Aloha Chair Lowen and Committee Members,

I am writing to you in full support of this very important Bill. Hawaii is such an incredible place that we are lucky to call home, but like many other places across the globe, is heavily threatened by climate change, natural disasters, and over-tourism- to name just a few. While there is a long list of actionable items that could significantly help our islands to be prepared, as well as to deal with the current reality, the programs and the people necessary to execute these actions are heavily underfunded.

So much of the incredible change that has happened across our islands thus far can be attributed to volunteers and nonprofits, but that effort can only go so far, and those individuals need financial support to continue their missions.

I run a small nonprofit that provides environmental education through media, helps to organize events, and helps to inspire community activism. I have had the pleasure of working along side and documenting so many talented and passionate people who have all the tools and plans necessary to make a difference, but they are missing the funds and man power. There is so much that can be done to make Hawaii more resilient, safe, and beautiful for future generations to come.

Let's not reinvent the wheel by hiring consultants, starting working groups, or trying to come up with new plans. The community has plans, they are ready, they just need their government's support to execute.

Thank you for your time,

Alexandra Kahn

Kahana Foundation

## GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

**Removing barriers to Hawaii's prosperity** 

Feb. 13, 2024, 9:30 a.m. Hawaii State Capitol Conference Room 325 and Videoconference

To: House Committee on Energy & Environmental Protection Rep. Nicole E. Lowen, Chair Rep. Elle Cochran, Vice Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN OPPOSITION TO HB2406 - RELATING TO STATE FINANCES

Aloha Chair Lowen, Vice-Chair Cochran and Committee Members,

The Grassroot Institute of Hawaii would like to offer its comments in opposition to <u>HB2406</u>, which would impose a \$25 tax on transient accommodations, to be deposited to a special fund with a broad scope of purposes related to climate and the environment. This \$25 tax would be levied in addition to all state and county transient accommodations taxes.

There are multiple areas of concern in this bill, starting with the creation of yet another special fund that might fail to meet the legal requirements for such a fund.

In the most recent analysis from the State Auditor, not a single one of the 84 special or revolving funds proposed during the 2023 legislative session met the criteria for special funds set forth in HRS Section 23-11.<sup>1</sup>

In HB2406, as in the other bills analyzed by the auditor, there appears to be no clear nexus between the imposition of an additional transient accommodations tax and the wide range of climate and environmental goals listed in the bill.

<sup>&</sup>lt;sup>1</sup> <u>"Report No. 23-05: Analyses of Proposed Special and Revolving Funds 2023,"</u> Office of the Auditor, State of Hawaii, March 2023.

Rather, the goal of this special fund appears to be the creation of a special source of funding outside of the normal budget and appropriation process. This is a clear violation of the Legislature's efforts to clean up special funds and reduce their negative impact on state budgeting and finances.

This is not a criticism of the special fund's goals. Yet that goal, no matter how laudable, must be balanced against the damage that this tax increase would cause to Hawaii businesses and the state's economy as a whole.

The theory behind this additional transient accommodations tax is that it will fall more heavily — or even exclusively — on tourists. However, the TAT also directly affects Hawaii residents who need to stay in local transient accommodations when traveling interisland or simply seeking to enjoy a "staycation."

Beyond that, a large body of research demonstrates that increasing taxes on tourists can also affect both the competitiveness of Hawaii's tourism industry and the health of local businesses that depend upon tourism dollars — which means the tax affects most, if not all, Hawaii residents, albeit in some cases indirectly.

A 2017 European Union study on the impact of taxation on tourism in Europe found that high tourism taxes, passed on to tourists through higher prices, affected the competitiveness of particular destinations.<sup>2</sup> Coastal and leisure destinations in particular were most adversely affected by increases in tourism taxes, especially compared to locations that were more focused on business travelers.

In addition, occupancy taxes such as Hawaii's TAT were singled out as inequitable and especially frustrating to tourists. The EU study recommended that countries that depend heavily on tourism should reduce their tourism taxes in order to increase competitiveness.

Even unique destinations are not immune from the effect of taxation on international arrivals. A study of the Maldives, a country that earns as much of 70% of its revenue from tourism taxes, found that a 10% increase in tourism taxes reduces demand by 5.4%.<sup>3</sup>

To put it plainly, increasing tourism taxes decreases the number of visitors. Moreover, policymakers cannot assume that tourism taxes will not have an additional effect on visitor spending. It is only common sense to assume that tourists will compensate for higher tourism taxes by adjusting their budgets and spending less on dining, activities or shopping.

<sup>&</sup>lt;sup>2</sup> PricewaterhouseCoopers LLP, "<u>The Impact of Taxes on the Competitiveness of European Tourism</u>," European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, October 2017.

<sup>&</sup>lt;sup>3</sup> Festus Fatai Adedoyin, Neelu Seetaram and George Filis, "<u>The Effect of Tourism Taxation on International Arrivals to a Small,</u> <u>Tourism-Dependent Economy</u>," Journal of Travel Research, Vol. 62, Iss. 1, pp. 135-153.

This is borne out by a study of the effect of an air passenger duty on the budget allocations of United Kingdom tourists. The study found that tourists compensated for the higher taxes by decreasing destination expenditures on items such as accommodations and food.<sup>4</sup>

Thus, increasing tourism taxes would ultimately hurt Hawaii's restaurants, stores and hotels, as tourists decrease their expenditures to compensate for the state's higher taxes.

This is on top of the fact that Hawaii already has some of the world's highest tourism taxes,<sup>5</sup> making any additional hike a threat to the continued health of the industry and the businesses that depend on it.

Tourism is such a critical part of the state's economy that even industries that are not directly linked to tourism are linked to businesses that are.

In addition, as mentioned above, we should not ignore the fact that tourists are not the only ones who pay taxes on transient accommodations. For example, neighbor island residents who stay on Oahu for medical care, or families in need of a temporary dwelling after a natural disaster, must book either a hotel or a short-term rental. Likewise, visiting medical professionals must stay somewhere while practicing in Hawaii.

Hawaii residents have suffered enough from endless tax hikes and fees. This is not the time to make Hawaii a more expensive place to live and do business.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

<sup>&</sup>lt;sup>4</sup> Haiyan Song, Neelu Seetaraum and Sunh Ye, "<u>The effect of tourism taxation on tourists' budget allocation</u>," Journal of Destination Marketing and Management, March 2019, pp. 32-39.

<sup>&</sup>lt;sup>5</sup> Alison Fox, "<u>These Cities — Including 3 in the U.S. — Have the Most Expensive Tourist Taxes in the World, Study Shows</u>," Travel + Leisure, Aug. 12, 2022.







February 13, 2024

House Committee on Energy & Environmental Protection Chair Lowen Vice Chair Cochran Members of the Committee Via Electronic Transmission

> Re: The Imperative of Allocating Adequate Funding to Protect Natural Resources Support HB 2406 Relating to State Finances

Aloha!

Thank you for the opportunity to support HB 2406, Relating to State Finances. At its core, our recommendation is to significantly increase funding for natural resource management and restoration. How we protect and manage our natural resources will determine whether our children and future generations inherit a healthy, safe, and beautiful environment. This bill is an important step toward meeting these goals.

Natural resources are the lifeblood of our pae 'āina, providing us with the essentials for survival and the foundation for Hawai'i's economy, our very society. These resources include clean air and water, fertile soil, living coral reefs, stable coastlines and beaches, biodiversity and healthy forests. We commend the legislature, cognizant of the local and global threats to these riches, for declaring Hawai'i to be the first state in the nation to declare a climate emergency. Protecting and restoring these resources is a moral, economic, and ecological imperative.

Based on the foregoing, we support this bill and strongly advocate for significantly increased funding for DLNR so that Hawai'i can:

- Remove flammable nonnative plants and restore sites with less flammable native plants.
- Restore coral reefs to help protect our beaches and coastal communities from sea level rise and storm surges, while also protecting the fisheries that draw tourists and sustain local residents.
- Restore watershed forests that protect our water quality and supplies, in addition to reducing the risks of fire.
- Provide grants to local communities to assist them in managing and restoring natural resources, including reducing their fire risks.

The Maui wildfires have now amplified to every resident, and indeed the world, that no region in the world is immune to the impact of this climate crisis. We are a coalition of individuals and organizations committed to supporting better management of the state's natural resources. We estimate that an

additional \$360 million annually is needed to close the current budget shortfall in protecting our islands against climate threats and the impacts of tourism.

Preventing damage to natural resources is often more cost-effective than trying to restore them once they have been degraded. For example, restoring a polluted stream can be far more expensive than preventing pollution in the first place. Wildfire prevention can be significantly more cost-effective than paying for the cost of responding to wildfires and restoring damaged communities and natural resources. Legislators who allocate funding for protection and restoration are, in essence, making a sound long-term investment in their constituents, well-being, and the environment.

We have a moral responsibility to protect the natural resources that sustain life on our islands. Future generations depend on the decisions we make today. Legislators have a unique role in shaping policies that reflect our ethical obligation to safeguard the environment for all living beings.

In conclusion, there are numerous compelling reasons why legislators should approve this bill to generate new revenue that is badly needed to protect, restore, and manage Hawai'i's magnificent and irreplaceable natural resources. Disaster resilience, climate change mitigation, clean water and air, sustainable agriculture, economic benefits, public health, long-term cost savings, biodiversity conservation, and ethical responsibility all underscore the importance of such investments. By helping to generate the necessary funds, legislators can secure a brighter and more sustainable future for all. It is a responsibility that cannot be ignored, and the benefits far outweigh the costs.

We look forward to working with you to ensure that our natural resources are at the forefront of policyleaders' minds and that our laws and funding allocations reflect these priorities.

Mahalo,

**Care for 'Āina Now Coalition** Website: careforainanow.org Contact: <u>aloha@careforainanow.org</u>

## Citizens' Climate Lobby Hawaii hi.ccl.lobby@gmail.com cclhawaii.org



February 12, 2024

### SUPPORT FOR HB2406— Climate Health and Environmental Action Special Fund

Dear Chair Lowen, Vice Chair Cochran, and Members of the Committee:

**Citizens' Climate Lobby (CCL) Hawaii supports HB2406, which "**Establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations. Exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax."

CCL Hawaii comprises over 1000 members across Hawaii. We advocate for effective, efficient, and fair climate legislation. We support **HB2406** as it addresses the need to adapt to climate change. Listening to any talk by Dr. Chip Fletcher, one quickly realizes Hawai'l's financial needs to address and adapt to the current and impending changes brought on by global warming are enormous – from sea level rise to changing weather conditions. This bill would help provide some of the necessary funding to lessen these impending impacts.

Thank you for this opportunity to testify.

#### Please support HB2406.

Respectfully, CCL Hawai`i



HAWAI'I 1164 Bishop St., Ste. 1512 Honolulu, HI 96813 tpl.org

#### HAWAI'I BOARD

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Brad Punu Green Climate Fund

**Kirstin Punu** AES

Tom Reeve Conservationist

**Jonathan Sprague** Pūlama Lāna'i

Dr. Rachel Sprague Pūlama Lāna'i

Jan Sullivan Oceanit

#### Trust for Public Land's Testimony Supporting HB 2406 Relating to State Finances House Committee on Energy and Environmental Protection Tuesday, February 13, 2024, 9:30 a.m., Rm. 325

Aloha Chair Lowen and Vice-Chair Cochran:

Trust for Public Land strongly supports HB2406, which establishes a Climate Health and Environmental Special Fund to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations and exempts housing used for emergencies during a state disaster from the Transient Accommodation Tax.

Trust for Public Land is part of the Care for 'Āina Now (CAN) coalition, which is advocating to significantly increase funding for natural resources management, restoration, and response to climate crises. How we protect and manage our natural resources management and restoration and prevent and mitigate climate crises like the Maui fires, will determine whether our children and future generations inherit a healthy, safe, and beautiful environment – one upon which our visitor economy also depends. Our tourism dependent economy and our natural/cultural resources are inextricably linked – climate disasters like the Maui fires have devastating effects on our families and our economy. For too long, needed and critical investments in our natural/climate infrastructure have been deferred for lack of funding.

CAN is a coalition of individuals and organizations committed to supporting measures to that will fund better management of the state's natural and cultural resources and responses to our looming climate crisis. We estimate that an additional \$360 million annually is needed to close the budget shortfall in protecting our islands against climate threats and impacts to tourism.

Trust for Public Land therefore strongly supports HB 2406 and urges the Committee to support its passage. Mahalo for this opportunity to testify. Unfortunately, I cannot be present to testify in person or Zoom due to a pre-existing scheduling conflict.

Mahalo –

the Hon

Lea Hong Hawaiʻi State Director Edmund C. Olson Trust Fellow

#### <u>HB-2406</u>

Submitted on: 2/12/2024 9:27:48 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Faith Chase	Farmers Voice Hawaiʻi	Support	Written Testimony Only

Comments:

Farmers Voice Hawai'i is in full support for this fee that is directly to fund a Climate & Environmental Action special fund to minimize and respond to climate impacts. We also recommend that a quarterly report mechanism be in place to exhibit transparency in expended funds. The decisions on how this climate funding should be spent is equally important to it being collected.

NO SUCH COLLECTION OF THIS FUNDING SHOULD SUPPORT THE PREMATURE EXPERIMENT OF RELEASING WOLBACHIA INFECTED MOSQUITOES IN HAWAI'I. AN EIS MUST FIRST BE CONUDCTED, WHICH HAS NOT TO DATE. AN EA IS VASTLY DIFFERENT THAT AN EIS. FOLLW THE HEPA PROCESS IN ALL THINGS.

In support of \$25 visitor fee.

Faith Chase

Founder and Editor

Farmers Voice Hawai'i

# STARN•O'TOOLE•MARCUS & FISHER

A LAW CORPORATION

Tuesday, February 13, 2024, 9:30 A.M.

State of Hawai'i

House Committee on Energy & Environmental Protection State Capitol, Conference Room 325

#### JOINT TESTIMONY OF DUANE FISHER AND ERIC ROBINSON IN OPPOSITION **TO HOUSE BILL 2406 RELATING TO STATE FINANCES**

Dear Chair Lowen, Vice Chair Cochran, and Committee Members:

Our firm is legal counsel for a variety of clients throughout the State that are subject to and pay Transient Accommodations Tax ("TAT"), including several resorts. We practice in the areas of business and real estate law, including land use, shoreline, and special management area issues. We oppose House Bill 2406.

While we believe there is a real and pressing need to have the capacity and funding to prevent and respond to climate crises, HB2406's approach does not account for the reality that the tourism industry is still recovering from the impacts of COVID-19 and last year's devastating Lahaina wildfire. The imposition of additional TAT will further strain recovery efforts for the State's key economic engine.

Funds for a Climate Health and Environmental Action Special Fund should come from existing TAT sources, not additional taxes. Accordingly, we respectfully offer the following revisions to HB2406 for the Committee's consideration:

- On page 19, line 16 to page 20, line 3: delete the proposed HRS § 237D(2)(f)
- On page 21, lines 19 to 21, restore the deleted language to read as follows:

"(7) Accommodations furnished without charge such as, but not limited to, complimentary accommodations, accommodations furnished to contract personnel such"

Mahalo for the opportunity to provide testimony on HB2406.

Very truly yours,

Juaner Al Eric S. Robinson

Duane R. Fisher

Eric S. Robinson

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



The Nature Conservancy, Hawaiʻi and Palmyra 923 Nuʻuanu Avenue Honolulu, HI 96817 Tel (808) 537-4508 Fax (808) 545-2019 nature.org/HawaiiPalmyra

Testimony of The Nature Conservancy Support for HB 2406, Relating to State Finances Committee on Energy and Environmental Protection February 13, 2024, 9:30 a.m. Conference Room 325 & Videoconference

Aloha Chair Lowen, Vice Chair Cochran, and Members of the Committee:

The Nature Conservancy (TNC) **supports** HB 2406, relating to state finances, which establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations. It exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax.

This measure would establish a sustainable funding stream to support the critical conservation efforts needed to maintain Hawai'i as a healthy, sustainable home for future generations, as well as a world-class visitor destination. Our natural resources sustain our way of life, feed our families, and drive our local economy. Although Hawai'i's natural beauty is a top tourist attraction, conservation efforts receive less than 1% of the State's annual budget. The \$25 tax on transient accomodations could help close Hawaii's conservation funding gap, which has been estimated at \$360 million annually.

Hawai'i's people and natural resources are being directly affected by climate change. We are experiencing increased flooding, coastal erosion, sea level rise, coral bleaching, loss of native forest, rising temperatures, increased threats of extinction for endangered species, and other impacts from the changing climate. DLNR and organizations like TNC are working to protect and restore our islands' critical natural resources. Additional funding is needed to maintain and increase the pace and scale of these conservation efforts to offset the growing impacts from climate change.

By investing in our environment today and into the future, we can ensure that residents and visitors are able to enjoy our incomparable natural environment and island lifestyle for generations to come.

Mahalo for the opportunity to testify in support of HB 2406.

#### BOARD OF TRUSTEES

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February 12, 2024

House Committee on Energy & Environmental Protection Chair Representative Nicole E. Lowen & Vice Chair Elle Cochran

Aloha Honorable Chair Lowen and Vice Chair Cochran,

I know you are both familiar with Re-use Hawai'i, just a reminder that Re-use Hawai'i works to divert waste from the landfills, reuse materials and support the circular economy. We have been doing our part to protect Hawai'i's environment for 18 years.

**Re-use Hawai'i is strong support of HB2406**, creating a \$25 visitors' fee to work to improve Climate Health. The effects of climate change need mitigation urgency. This fee is a strong step forward to address this critical need.

A loose Maui survey was conducted by talking story with visitors who were provided ground transportation, and it was learned that 100% of approximately 20 of those asked if they would pay it if there were a fee to increase the price to visit. It was unanimous, everyone would happily pay for it. One visitor even asked why it hadn't been in place already. That short story alleviates any doubts that this would impact tourism.

This special fund will minimize the impacts of and respond to the climate crisis. If not this, then what? Thank you for taking our testimony **IN SUPPORT OF HB2406**.

Mahalo,

Titte Chase

Faith Chase Director of Strategic Communications Re-use Hawaiʻi



Tuesday, February 13, 2024, 9:30 A.M.

State of Hawai'i

#### House Committee on Energy & Environmental Protection State Capitol, Conference Room 325

#### TESTIMONY OF JERRY GIBSON IN OPPOSITION TO HOUSE BILL 2406 RELATING TO STATE FINANCES

Dear Chair Lowen, Vice Chair Cochran, and Committee Members:

My name is Jerry Gibson, I am President of the Hawai'i Hotel Alliance ("HHA") and have been a hotelier in Hawai'i for more than 40 years. HHA membership includes most major hotel brands in Hawai'i, including Hilton, Marriot, Hyatt, Aulani, Outrigger, Highgate Hotels, Springboard Hospitality, and many independent hotels. Our membership represents almost 30,000 hotel rooms of the approximately 44,000 hotel rooms in Hawai'i. I submit this testimony <u>in opposition</u> to HB2406 in its current form.

HB2406 will further burden the tourism industry, which is still recovering from the impacts of COVID-19 and the Lahaina wildfire. Increasing Transient Accommodations Tax ("TAT") as proposed under the bill will further cement Hawai'i's place among states with the highest tax rates on transient lodging. Moreover, if the additional TAT for HB2406's special fund is only levied on lawful transient accommodations, like hotels and resorts, and it will not collect any funds from illegal short term vacation rentals and cruise ships. It does not make sense to impose additional tax burdens on lawful establishments, nor does it make sense to have hotels act as bankers for the tax. For example, monies for the bill's special fund could be collected elsewhere, such as at tourists' point of entry (*e.g.*, at the airport, cruise ship port, etc.).

With these points in mind, I respectfully propose the following revisions for your consideration:

- 1. Delete the additional TAT proposed on pages 19 and 20; and
- 2. Restore the exception for accommodations furnished without charge on page 21.

Mahalo for the opportunity to provide testimony in opposition to HB2406. I respectfully urge the Committee to **revise** the bill as noted above.

Very truly yours,

Jerry Gibson President, Hawai'i Hotel Alliance

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



#### Testimony of Mufi Hannemann, President & CEO Hawai'i Lodging & Tourism Association

#### House Committee on Energy & Environmental Protection (EEP) HB2406 RELATING TO STATE FINANCES February 13, 2023 Position: COMMENTS

Chair Lowen and members of the House Energy & Environmental Protection Committee:

I am writing on behalf of the Hawai'i Lodging & Tourism Association, the oldest and largest private sector tourism organization in the state, to **offer comments on HB2406 RELATING TO STATE FINANCES**. This bill establishes the Climate Health and Environmental Action Special Fund within the Department of Land and Natural Resources (DLNR) to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations. It also exempts certain housing used for emergencies during a state disaster, from the Transient Accommodations Tax (TAT).

While we support the bill's objective of financing the conservation of our state's natural resources and readiness for climate-related challenges, HLTA has consistently advocated for the utilization of impact user fees. We believe that carefully structured user fees, collected at the state's most frequented sites, should be directly allocated to the operation, maintenance, and environmental protection of those sites. Our preference is to ensure that these fees directly benefit the attractions where they are collected, rather than being pooled into the general fund. Furthermore, there is a strong nexus to the tourism industry and clearly demonstrates value and benefits to our local residents.

I would like to reference the successful model implemented at Hanauma Bay, which I had the privilege of authoring during my tenure on the Honolulu City Council. Under this model, fees paid by visitors to access this natural wonder are reinvested into its preservation, enhancement, and visitor education resources. This approach has demonstrated success and has been adopted at various state attractions.

During a recent PATA conference, Chief State Economist Eugene Tian revealed that while Hawai'i's nontourism sectors have fully recovered to 100% in 2024, for the tourism sector "the news is not too good, it's pretty much flat." Our predicament is compounded by international headwinds and challenges that are beyond our control and can worsen our situation. Therefore, we would issue caution about imposing additional financial burdens on the state's largest industry that provides the greatest number of jobs for our residents.

Thank you for considering our perspective on this matter.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



#### HEARING BEFORE THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325 Tuesday, February 13, 2024 AT 9:30 A.M.

To The Honorable Nicole E. Lowen, Chair The Honorable Elle Cochran, Vice Chair Members of the Committee on Energy & Environmental Protection

#### **COMMENTS on HB2406 RELATING TO WASTEWATER**

The Maui Chamber of Commerce COMMENTS on HB2406.

In the past, the Chamber supported park usage fee/state park pass legislation that was heard last session. We prefer these types of usage fees as opposed to adding another tax on accommodations. We feel it is more palatable if visitors get something in return and can correlate that their dollars are going to help the places they visited (parks, beaches, etc.). Maui's visitor market is currently very soft and we are worried about long term sustainability. Also, all accommodations would have to change their systems, costing them time and money.

Given all of the fees and taxes being proposed this year, to pay for a variety of needs, such as insurance, wildfire recovery, economic recovery, housing, etc., we would like to suggest that the State needs a more comprehensive financial plan. The plan should decide how much revenue is needed and how to raise the necessary funding.

Mahalo for the opportunity to offer COMMENTS on HB2406.

Sincerely,

Pamela Jumpap

Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

Submitted on: 2/2/2024 1:00:52 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kevin Faccenda	Individual	Support	Written Testimony Only

Comments:

I strongly support this measure. A 25\$ fee is insignificant for most tourists, and would generate millions per year for conservation of Hawai'i's ecosystems. Many projects to conserve Hawai'i's ecosystems are doing great work, but are limited by funding and this is an easy way to increase funding without raising taxes. I suggest raising the fee to closer to 50\$.

Thank you for your consideration, Kevin Faccenda

Submitted on: 2/2/2024 1:08:54 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Margaret Pulver	Individual	Support	Written Testimony Only

Comments:

To the members of the Committee on Energy and Environmental Protection,

I fully SUPPORT HB2406 and the proposed \$25 tax on transient accommodations. This bill has the potential to generate a great deal of funding that can be used to protect Hawai'i's unique and highly threatened natural resources.

Mahalo for your consideration of this measure.

Margaret Pulver

Submitted on: 2/2/2024 3:10:01 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

I support HB2406, as long as the funds raised are dedicated to environmental protection and climate resiliency, and cannot be raided for other purposes. Environmental protection is sorely underfunded in this state.

HB-2406 Submitted on: 2/4/2024 9:04:01 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Tamara Paltin	Individual	Support	Written Testimony Only

Comments:

support

#### HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Hearing on February 13, 2024 at 9:30 am

#### **SUPPORTING HB 2406**

My name is John Kawamoto, and I support HB 2406.

More than 9 million tourists visited Hawaii in 2023, staying for an average of 9 days each. More than 13% of the people in Hawaii are tourists on any particular day, on average. Hawaii is known for its natural wonders, and tourists flock to see and experience them. However, the constant stream of tourists stresses the environment and degrades it. This bill is reasonable because it funds the preservation of the environment with a fee paid by tourists.

For the foregoing reasons I urge the committee to pass HB 2406.

Submitted on: 2/5/2024 1:32:39 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Keith Neal	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen and members of the EEP

I support HB2406

Visitors to Hawaii have the kuleana to reduce and mitigate their impact on air, land and water.

Thank you for your consideration,

Keith Neal

Waimea

Submitted on: 2/6/2024 9:09:35 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Isidoro Rodriguez	Individual	Support	Written Testimony Only

Comments:

Greetings Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Isidoro Rodriugez and I am submitting written testimony in strong support of HB2406, which would help resource Hawai'i's environment through visitor investment and help close the \$360 million annually conservation funding gap. I am not a resident of Hawaii, but I have been to your beautiful state and enjoyed its wonders first hand. I would gladly pay my fair share to do so again and believe that anyone and everyone who visits Hawai'i should have to do the same.

Hawaii faces surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. HB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource your State agencies and community organizations with the funding to protect your land, restore your ecosystems, and manage your natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard your communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for your local communities and the visitors you share it with, for future generations and beyond. I thank you for the opportunity to submit testimony in strong support of HB2406 and hope that when it comes to protecting Hawai'i's future you choose right action and pass this much-needed environmental policy without hesitation.

Thank you, again, for the opportunity to testify,

Isidoro Rodriguez

Submitted on: 2/6/2024 10:10:04 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kai Binney	Individual	Support	Written Testimony Only

Comments:

#### **Individual Testimony in Support of HB2406**

**Committee on Energy & Environmental Protection** 

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Kai Binney and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. I was born on Maui and raised on O'ahu. HB2406 is of high interest to me because it will help to ensure that our natural resources are protected for current and future generations. The funding generated through this Bill would create opprotunities for thousands of local community members and ensure that our islands prosper.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Kai Binney

Submitted on: 2/6/2024 11:08:43 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Amber Datta	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support HB2406 which places a reasonable charge on visitors to help maintain the environment they travel here to see. I was born and raised on Big Island and have PhD in conservation science. Tourism-related fees are common practice in many places I have travelled to and having such a fee (or multiple fees) is long overdue in Hawaii. If folks can afford to fly here they should have no problem with a low fee like this one. Our state agencies and community groups are chronically and severely underfunded (\$360 million gap), this is an important step towards providing the resources needed to support the essential services they provide to mālama 'āina.

Mahalo,

Amber Datta

Submitted on: 2/6/2024 11:10:37 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dyson Chee	Individual	Support	Written Testimony Only

Comments:

Mahalo for the opportunity to testify in support of HB2406!

Submitted on: 2/6/2024 1:37:33 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kate Reimann	Individual	Support	Written Testimony Only

Comments:

Individual Testimony in Support of HB2406

Committee on Energy & Environmental Protection

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Kate Reimann and I am submitting written testimony in **strong support of HB2406**, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. I am a resident of Oahu, raising my two boys here, and we experience the magic of these islands in our every day life -- from surfing to hiking to volunteering at the lo'is and cleaning beaches. My boys regularly volunteer at Hanauma Bay, helping visitors identify the fish they've seen while snorkeling in one of the world's most beautiful and rich bays. We want to preserve these spaces, the life contained within them, and the awe they inspire. We want to see the coastlines that we play on, ocean that we swim and surf in, and mountains we climb on remain not just for a few more years but decades to come. We want to leave it better than we found it -- a mentality I try every day to reinforce to my boys.

One of my sons in particular has developed a passion for birds -- we hike certain trails in search of the elusive Oahu elepaio, a bird that has eluded my talented birder so far. We visited Haleakala last year to see the apapane and **his first i'iwi sighting. The excitement in his face, the way the sighting made him catch his breath, is something I will never forget**.

To think we are jeopardizing the beautfy of these islands and the unique and vitally important species they contain when there is something we could do about it now and with immediate impact (by passing this bill) makes me sad for my sons and for our planet.

SB2406 is a **critical step to** ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. **A surefire way to allow visitors to leave it better than they found it.** Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

If passed, HB2406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the

committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

Please help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations, and for my boys.

Thank you for considering an effort that would have a profound impact on the protection and restoration efforts to support both tourism and our aina for years to come.

Mahalo for the opportunity to testify,

Kate Reimann

mom, business owner, concerned citizen, lover of Hawai'i and this planet

Submitted on: 2/6/2024 3:52:14 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Heidi Jae Mireles	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am a United States citizen in Boise, ID. I have traveled to Hawai'i two times and both times I had the opportunity to visit Hawai'i, I received such deep healing through the beauty of the natural landscapes, flora, fana, and sea. The Hawaiian islands are an absolute treasure and the aloha spirit, the mana of the lands need to be protected at all costs in our modern consumeristic society. Hawai'i is a healing sanctuary for the world and without protection the land and it's peoples, the affects of traveling can have dreadful consequences on the natural balance of the lands.

I am writing in support of HB2406 implementing a \$25 fee to fund community based ecological safe keeping. The amount being asked is such a small fee in comparison to the costs of travel, lodging, food and other expenses. Yet, given the amount of travelers to the islands it would provide a wonderful foundation to build more protection and safekeeping to the islands and the people who call them home. I honestly would advocate for an even larger fee as accommodations can cover multiple people in one space.

The recent tragedy in Maui, the dry climate of the land, and challenges of meeting water needs for locals, the landscape, and prioritizing the use of water by travelers is just one example of the need to foundationally repair, improve, and protect the priceless resources of all of the Hawaiian Islands.

As most people who travel to Hawai'i do, I have fallen in love with this land. Yet, I fear its future given how quickly overpopulation can take over natural resources. My hometown of Boise has recently become one of the most sought after places to live, in part because of the natural and beautiful wild open spaces here. However, too many people do not know how to properly take care of natural spaces and natural environments and the creatures who live there pay the biggest price.

I urge you to pass this bill and provide this fundamental protection for all the beautiful islands of Hawai'i and those that live there.

Mahalo nui. Ke Akua pū.

Heidi J Mireles

#### HB-2406 Submitted on: 2/6/2024 11:12:27 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Christiane Keyhani	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Christiane Keyhani and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. I was born and raised on Maui and work in marine conservation. Supporting this bill is supporting local people and the environment.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Christiane Keyhani

Submitted on: 2/7/2024 7:52:25 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nicole Nakata	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran, and members of the Committee,

I strongly support HB2406, which would help provide much needed resources to help those committed to caring for our island environment through visitor investment. Visitors come to Hawaii to enjoy the beauty of Hawaii's natural resources and as such should be part of the solution to protect our island home. I urge the committee to pass this and other measures to provide resources to State agencies and community organizations to continue and expand the work they are already doing to protect our aina, restore our ecosystems, and properly manage our natural resources.

Mahalo for the opportunity to testify.

Submitted on: 2/7/2024 8:26:03 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kumiko Hasegawa Mattison	Individual	Support	Written Testimony Only

Comments:

Individual Testimony in Support of HB2406

Committee on Energy & Environmental Protection

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Kumiko Hasegawa Mattison and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap.

I live in Hilo on Hawai'i Island and am the Director of 'Āina Ho'ōla Inotiative. We are restoring the wetlands and loko i'a for our endangered and threatened waterbirds, and migratory and vagrant birds. We need funding to ensure our efforts will continue. It is very important for multitude of reasons environmentally and culturally. We are having quite a few volunteers that are visitors, but that is a small fraction of the numbers of visitors that are on the islands. Our damaged nature and environment cannot any longer to be restored and regenerated! It is urgent! There are many restoration projects throughout our pae 'āina that need financial support.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo nui for the opportunity to testify,

Kumiko Mattison

Submitted on: 2/7/2024 10:20:46 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Remy Hirai	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Remy Hirai and I am submitting written testimony in <u>strong support of HB2406</u>, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. **I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.** 

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo.

Submitted on: 2/7/2024 10:53:10 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jon Mitchell	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

**My name is Jon Mitchell** and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. As a resident of Kaneohe, I see daily the impact climate change impacts our islands. Storms are more severe, and arrive with higher frequency. Additionally I am an insurance broker in professional life that specializes in policies that help businesses continue after weather events. We are seeing a strong increase in inquiries as well as policies written. The business community knows that weather is having a more adverse impact than ever before, and we must do what we can to create a more resilient community.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

I appreciate your time and consideration. There are many issues that need to be addressed, but without a healthy climate that is building resiliency to the challenges we face, all other issues will be further accentuated.

Mahalo for the opportunity to testify,

#### Jonathon W Mitchell

Submitted on: 2/7/2024 1:24:27 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Samantha Mislinski	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran, and Honorable Members of the Committee,

I am Samantha Mislinski, and I am submitting written testimony in strong support of HB2406. This bill would help provide critical economic resources to protect and restore our environment through visitor investment and help close our \$360 million annual conservation funding gap.

Climate change is, without a doubt, the greatest threat to our state. It will affect every aspect of our lives from fires, flooding, droughts, heat waves, food security, and sea level rise. We need to do everything in our power to stop, slow down, and reverse our impacts on our environment. If we don't, the resources that we rely on will be gone.

We need funding to support projects to protect and restore our environment. It is only fair that some of the funding comes from the people who come to our Islands to enjoy the vary ecosystems that we're trying to protect for future generations. If we don't protect our coral reefs, beaches, forests, and endemic animals, we will be damaging our tourism industry. During the COVID-19 Pandemic, we saw the devastation to our economy when there were no tourists. We also saw the positive impacts on our environment without them. This fee is a good way for us to balance both the tourism economy and the protection of our critically important environmental resources.

\$25 dollars will not stop people from coming to Hawai'i, but it can be the difference between breaking the health and the habitability of our islands or protecting them for future generations. As elected leaders, you have a responsibility to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative. HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors that come from all across the planet to see and experience.

Submitted on: 2/7/2024 5:34:36 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kaleiheana-a-Pohaku Stormcrow	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Kaleiheana Stormcrow and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. I am an Avian Recovery Specialist with a Master of Science in Natural Resources & Environmental Management. I'm from Ko'olaupoko and reside in Mountain View on Hawai'i Island. Conservation is surprisingly underfunded in Hawai'i, despite it being the endangered species & invasive species capitol of the world. Our endemic species, found nowhere else in the world are already at risk of extinction due to habitat destruction, invasive species, resource extraction, and climate change caused fires and extreme weather events. Visitors should be required to help support ongoing and future efforts.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo nui, I trust those in power to help make a change in a positive direction for whats left of our native ecosystems.

Mahalo for the opportunity to testify,

Kaleiheana Stormcrow

Submitted on: 2/7/2024 7:48:41 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Devynie Coloma	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Devynie Coloma and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and aid in closing our \$360 million annual conservation funding gap. I reside on the island of Hawai'i and have lived here all my life. Many individuals who come to the islands expect to see the beautiful greenery. However, Hawai'i may not have such greenery shortly due to the growing devastation caused by coconut beetles, for example. Once these trees are completely consumed, they will continue to find other forms of sustenance within Hawai'i. Facing this pressing issue will require large amounts of support.

Additionally, we face surmounting environmental challenges such as wildfires, disappearing coastlines, bleached coral reefs, and underinvestments in managing these natural and cultural resources. SB2406 is a critical step to ensuring visitors pay their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community's future safety is at risk without significant funding for environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to instill solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders, you have a responsibility this year to help safeguard our communities and environment from the threat of climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond. Passing this bill will greatly assist Hawai'i in protecting and maintaining irreplaceable forestry and homes for many native species. Continuing such endeavors requires support that can be achieved through this bill.

Mahalo for the opportunity to testify,

**Devynie Coloma** 

Submitted on: 2/7/2024 9:30:16 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Pua Heimuli	Individual	Support	Written Testimony Only

Comments:

Aloha mai kāua,

My name is Pua Heimuli, a resident of Kahalu'u, O'ahu and I am writing in **support of HB2406**. Our landscape is the backdrop of every experience of the millions of tourists who come to the islands. A \$25 fee on transient accomodations is a much needed small contribution to help fund climate relief we desperately need now and in the near future here in our islands.

Mahalo for the opportunity to testify.

Mālama Pono,

Pua Heimuli

Submitted on: 2/7/2024 9:55:23 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Wendy Miles	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

I am submitting written testimony in strong support of HB2406.

As a resident of Oahu and Maui, I have collaborated with partners on conservation and climate adaptation efforts across the state and have seen firsthand the devotion of Hawai'i's residents to protecting the 'āina, as well as the great shortfalls in funding that severely limit what DLNR and local environmental NGOs can accomplish. As a conservation professional with over 20 years of experience in the USA and internationally, I am consistently amazed by the innovation and creative problem-solving of Hawai'i's conservation community. However, there are limits to what is possible when **conservation and climate adaptation efforts are severely under-resourced in Hawai'i**. HB2406 could help to close the state's estimated \$360 million annual conservation funding gap.

Infusing Hawai'i's conservation and climate resiliency efforts with visitor investments will:

#### (1) help protect the biocultural heritage and health of the Hawaiian Islands,

#### (2) support local innovation on the conservation and climate fronts,

#### (3) strengthen Hawai'i's reputation as a global leader on climate change, and

# (4) **provide visitors with an opportunity to make a meaningful gesture of aloha**, care, and respect.

The emotional power of a green fee should not be underestimated. If designed well, this gesture could inspire visitors, increase the quality of their experience, and enhance their interactions with residents.

Take the Palau Pledge and the Republic of Palau's accompanying "pristine paradise fees" (larger than those proposed in HB2406) as an example (see: <u>https://palaupledge.com/</u>). The Palau Pledge has greatly enhanced Palau's reputation as a premier travel destination and ecological paradise. The compulsory inflight video on the Palau Pledge (and fee) moved me to tears – as I'm sure it does many visitors (see: <u>https://www.youtube.com/watch?v=VEcxsOm1TYg</u>). These gestures reflect an island government and island communities that are committed to protecting the land

and water upon which future generations depend. These gestures are inclusive because they invite visitors to malama 'āina, too, and in this way build stronger place-based connections for them, thereby enriching their experience.

HB2406 is a small but powerful gesture. Pristine paradise fees enhance what tourism has to offer for visitors, residents, and the local environment. I genuinely believe that HB2406 will make Hawai'i a more desirable destination.

I urge the committee to pass measures that will resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

Mahalo nui for this opportunity to testify.

Respectfully,

Dr. Wendy Miles

Submitted on: 2/8/2024 6:01:59 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robin Gusich-Batara	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2406. Why must we nickel and dime our visitors? Hawaii's economy is based upon our visitor industry. They should be treated as our guests. Where is the accountability for the use of these funds? There are no concrete criteria for what they will be used. Please let's stop expanding our government.

Submitted on: 2/8/2024 8:36:05 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jeanne Herbert	Individual	Support	Written Testimony Only

Comments:

Aloha, I strongly support HB2406. It is time for our Hawai'i visitors to partner with residents to manage and protect our precious natural resources. A \$25 fee per transient accomodation would be a minor cost to Hawai'i visitors. Example: if 2 people check into a hotel room, the total cost would be \$25, or \$12.50 per person. 4 people in a room or vacation rental would be \$6.25 per person. This is a nominal fee and, in my opinion, would not negatively affect tourism to Hawai'i. In fact perhaps a fee would bring greater respect from our visitors about the importance of caring for our 'aina. And greater respect from our residents towards visitors if residents are not carrying the full burden of managing resources that feel the impact of 10Million visitors a year.

Mahalo,

Jeanne Herbert

Oahu resident

#### HB-2406 Submitted on: 2/8/2024 9:30:29 AM

Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alana Reis	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

I am in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. Born and raised on O'ahu, I have been so blessed to experience our natural landscapes and wild living habitats and creatures, but I have seen degradation over my 34 years. I believe it is our kuleana to protect our natural environment, and it should be the kuleana of visitors to respect our efforts in doing so - a great way for visitors to help contribute to our efforts is to provide financial support.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify, I sincerely hope the urgency and desparation of our island's situation remains at the forefront of discussions during this legislative session.

~Alana Reis, Halawa resident, Oʻahu.

Submitted on: 2/8/2024 2:14:06 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jaclyn Johnson	Individual	Support	Written Testimony Only

Comments:

Individual Testimony in Support of HB2406 Committee on Energy & Environmental Protection

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Jaclyn Johnson and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. As someone born and raised on the north side of O'ahu, I've seen firsthand the beauty of our islands and the urgent need to protect them for future generations. Our unique environment is facing increasing threats from climate change, including rising sea levels, more frequent and severe storms, and threats to our delicate ecosystems.

With tourism being a significant contributor to our economy, it's only fair that visitors share in the responsibility of safeguarding the natural wonders that draw them here. The funds generated from this fee can be instrumental in funding renewable energy projects, protecting our forests and coastlines, and implementing sustainable practices across various sectors.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As a proud resident of Hawai'i, I urge lawmakers to support HB 2406 and take proactive steps towards building a more sustainable future for our islands. As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify, Jaclyn Johnson

Submitted on: 2/8/2024 4:39:21 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Joseph Wat	Individual	Support	Written Testimony Only

Comments:

I am strongly in support of an additional fee for tourists, \$25 is extremely manageable for anyone visiting Hawai'i and is significantly smaller in magnitude than the cost of a Hawai'i vacation.

There are many many issues caused by the extreme number of incoming visitors including increased port security/bio control costs, invasive species introduced, wear and tear on infrastructure, and many more that could be funded with this type of fee.

While there is a dire need for investment in climate resilience and response strategies, I would recommend inclusion of management of invasive species in the allowed expenditures for this fund. Many climate related issues are made worse by invasive species like loss of groundwater resources due to drought AND invasive species displacement of our native forests. As another example, wildfire prevention often includes removal of fire-prone grasses.

Please pass this bill with the inclusion of invasive species management as an allowable expense.

Thank you for considering this bill and the opportunity to testify.

Submitted on: 2/8/2024 4:53:36 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Victoria Johnson	Individual	Oppose	Written Testimony Only

Comments:

I oppose another form of Taxation on Transient accommodations. The bill has way too many exclusions and not a clear definition of who facilitates this new charge and penalities involved, Needs better clarification as the exclusions seem to appear very long.

#### HB-2406

Submitted on: 2/8/2024 11:09:20 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Haukea Allen-Perrault	Individual	Support	Written Testimony Only

Comments:

Individual Testimony in Support of HB2406

Committee on Energy & Environmental Protection

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Haukea Allen-Perrault and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. As a Native Hawaiian whose mother grew up in O'ahu, the gradual deterioration of all islands is upsetting. Action is needed if change shall happen.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo nui for taking the time to read everything, and I hope to see more action take place in this time of urgency and need.

Mahalo for the opportunity to testify,

Haukea Allen-Perrault

Submitted on: 2/8/2024 11:12:43 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lalea	Individual	Support	Written Testimony Only

Comments:

With visitors coming to the Hawai'i to enjoy what the islands have to offers like the clear waters and lucious scenery, overpopulation destroys the ecosystems we have here. If outsiders come here to explore, they should respect the earth and pay their dues. This will help reserve what we have left of the native plants and animals and keep Hawai'i what it is.

Submitted on: 2/9/2024 7:06:30 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Virginia Tincher and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. This bill is important to me as a long time visiter to Oahu to visit my daughter and care for my granddaughter and to visit and stay on Hawaii Island, Kauai and Maui with them. It's been sad to see the degradation of the environment over the years. Once on a visit to Hanauma Bay I spent the entire time cleaning up the beach from debris that made it's way across the ocean. All the beaches have so much pollution now and the facilites need maintenance.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Virginia Tincher

Aina Haina, Ohau and Palo Alto, California

Submitted on: 2/9/2024 3:39:48 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
joseph simpliciano	Individual	Support	Written Testimony Only

Comments:

Aloha I fully support a bill like this as long as it provides funding to DOCARE as DOCARE is the primary law enforcement entity to protect our island, mountains and seas without them we fail. As a employee of DLNR and Harbormaster I am fully aware how important DOCARE is in retrospect to everything we do each and everyday.

Submitted on: 2/9/2024 3:48:13 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mariko Whitenack	Individual	Support	Written Testimony Only

Comments:

Aloha mai Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Mariko Whitenack and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap. I currently live in Kaimukī on Oʻahu. I am new to living in Hawaiʻi, having moved to Oʻahu last August to study forest restoration. Since then, I have been privileged to witness and work alongside those who spend countless hours working to restore ʻāina because of their unyielding devotion for the lands and waters of Hawaiʻi.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Mariko Whitenack

Submitted on: 2/9/2024 4:59:53 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Bert Weeks	Individual	Support	Written Testimony Only

Comments:

I support HB2406 to generate additional funding for conservation in Hawaii. One of the core values in Hawaii is to malama aina, or to take care of our land and resources. As someone who has spent his career in marine conservation, I understand how hard it is to run these programs and to make a living doing the right thing for our land and ocean. The people who I work with are struggling to get by, but love what they do and feel the kuleana to spend their time working for future generations. Generating more funds through this bill will help those local people stay in Hawaii and work in a meaningful job and get paid enough for it to live in Hawaii. People working in malama aina jobs work don't do it for the money, but it's hard to get by in Hawaii with low wages and few opportunities. This funding is important for the aina and the people who live here and take care of it. In a time of many threats, we need to do everything we can to help.

Mahalo

-Bert Weeks

Aiea



STATE OF HAWAI'I HAWAI'I CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION POST OFFICE BOX 621 HONOLULU, HAWAII 96809

## Testimony of Leah Laramee Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

#### Before the House Committee on ENERGY & ENVIRONMENTAL PROTECTION

#### Tuesday, February 13, 2024 9:30AM State Capitol, Conference Room 325, Via Videoconference

#### In support of House Bill 2406 RELATING TO STATE FINANCES

House Bill 2406 establishes the Climate Health and Environmental Action Special Fund in the Department of Land and Natural Resources to minimize the impacts of, and respond to, climate crises funded by a \$25 tax on transient accommodations and exempts certain housing used for emergencies during a state disaster from the Transient Accommodations Tax. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) <u>supports</u> this measure.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multijurisdictional effort between 20 different departments, committees, and counties. This bill provides a funding mechanism to support climate action and resiliency measures in the state. Climate change is happening now in Hawai'i with devastating and deadly impacts. We can expect continued impacts to cost the state billions of dollars due to extreme heat, flooding, sea level rise, wildfires, ocean acidification, drought, and severe weather events. Action now can significantly reduce the long-term costs of climate change. Funding is needed for job training, building capacity at the State and local level, green infrastructure and community planning and resiliency. The Commission's *Grants to Projects Bridge* has identified over \$1,000,000,000 in unfunded climate resiliency and mitigation projects and over \$100,000,000 in priority projects were submitted through the joint RFI issued through the Hawai'i State Energy Office (HSEO).

HSEO's *Decarbonization Strategy* highlighted the immediate need of taking action to reach carbon net negative by 2045 as mandated by Act 15, SLH 2018, including protecting our existing forests and facilitating transition away from fossil fuels to avoid price volatility for our low to middle income families and resilience in the face of geopolitical events and natural disasters. This bill will fund these actions at no extra cost to residents while continued inaction may cost lives. Mahalo for the opportunity to testify on this measure.

**Co-Chairs:** Chair, DLNR Director, OPSD

Commissioners: Chair, Senate AEN Chair, Senate WTL Chair, House EEP Chair, House WAL Chairperson, HTA Chairperson, DOA CEO, OHA Chairperson, DHL Director, DBEDT Director, DOH Director, DOH Director, C+C DPP Director, Hawai'i DP Director, Hawai'i DP The Adjutant General Manager, CZM

Submitted on: 2/10/2024 1:20:30 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

This is a PURE COMMUNIST move right in front of the people. We the people will not stand for any of this. November is comming fast Time is running out for you people. There will be no Cheating in the next Election!!!!!!!

# HB-2406

Submitted on: 2/11/2024 12:15:50 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Uilani Naipo	Individual	Support	Written Testimony Only

Comments:

I **support** this measure that provides our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety.

- Uʻilani Naipo

Submitted on: 2/11/2024 2:20:14 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mark Hixon	Individual	Support	Written Testimony Only

Comments:

Aloha Committee on Energy & Environmental Protection,

I strongly support HB2406, which would enhance conservation of our valuable natural resources by helping to close Hawai'i's \$360 million annual conservation funding gap.

We face rapidly worsening environmental challenges like wildfires, invasive species, disappearing coastlines, bleached and overfished coral reefs, and a record of poor investment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places and resources they visit, experience, and use during their time here. Our community safety is at risk the longer we go without significant funding for environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources. It is obvious that DLNR and other state agencies are in dire need of additional funding to adequately achieve their conservation missions. Please support HB2406.

Mahalo,

Mark Hixon

Honolulu, Hawai'i

Submitted on: 2/11/2024 6:23:57 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Penelope Tupou	Individual	Support	Written Testimony Only

Comments:

Too many ecosystems and native species today have been negatively affected by excessive tourism. Beaches have eroded to thin strips of sandy shores, tens of species becoming endangered or extinct, and so much more. The money accumulated through HB2406 can be dedicated to the restoration and preservation of the lands, people, and others who are affected by climate change before careless tourists do irreversible damage.

Submitted on: 2/11/2024 7:34:32 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jennifer Navarra	Individual	Support	Written Testimony Only

Comments:

We must care for your land and natural resources. Please pass this measure.

Submitted on: 2/11/2024 8:43:30 PM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Phil Schlieder	Delphi Cinema LLC	Support	Written Testimony Only

Comments:

Honorable Members of the Committee,

I am writing to express my strong support for Bill 2406. As a resident of Hawaii deeply concerned about the preservation of our delicate ecosystems, I believe this bill is of paramount importance in mitigating the impacts of climate change and safeguarding the natural beauty of our islands for generations to come.

Hawaii is not only blessed with unparalleled natural beauty but also faces unique challenges due to its geography and vulnerability to climate-related disasters. Rising sea levels, increasingly severe weather events such as the tragedy in Lahaina, and coral reef degradation are just a few examples of the pressing issues we must address to ensure the resilience of our ecosystem.

The establishment of the Climate Health and Environmental Action Special Fund, funded by a modest \$25 tax on transient accommodations, presents a proactive and sustainable solution to tackle these challenges. By investing in initiatives aimed at minimizing the impacts of climate crises and responding effectively to environmental threats, we can take meaningful steps towards preserving the fragile balance of our ecosystems.

Furthermore, the exemption of certain emergency housing from the Transient Accommodations Tax underscores the importance of prioritizing community resilience during times of crisis. This provision ensures that resources are allocated efficiently to support those in need while also recognizing the role of tourism in contributing to the well-being of our communities.

Tourism is undoubtedly a cornerstone of Hawaii's economy, attracting millions of visitors each year to experience the unparalleled beauty of our islands. However, with this privilege comes a responsibility for visitors to recognize their kuleana, or duty, to give back to the land and communities they are fortunate to visit. By implementing a modest tax on transient accommodations, we can harness the economic benefits of tourism to invest in initiatives that benefit both residents and visitors alike.

In conclusion, Bill 2406 represents a crucial step towards safeguarding Hawaii's fragile ecosystem and ensuring the long-term sustainability of our islands. I urge you to support this bill and prioritize the well-being of our environment and communities for the benefit of current and future generations.

Mahalo nui loa for your attention to this critical issue.

Sincerely,

Phil Schlieder

Delphi Cinema LLC

www.delphicinema.com

808.451.8763

TO:	Members of the Committee on Energy & Environmental Protection
FROM:	Natalie Iwasa 808-395-3233
HEARING:	9:30 a.m. Tuesday, February 13, 2024
SUBJECT:	HB2406, Relating to State Finances, \$25 fee – <b>OPPOSED</b>

Aloha Chair Lowen and Committee Members,

Thank you for allowing the opportunity to provide testimony on HB2406, which would require owners of transient accommodations, with certain exclusions, to pay a monthly fee of \$25 that would go into a new fund.

The transient accommodations tax is currently 13.25% on Oahu. The proposed fee would be on top of that, and would be required whether a room is complimentary or furnished for the regular rate.

Rather than add yet another new tax, government should spend taxpayer funds more efficiently and without waste.

# Please vote "no" on HB2406.

#### HB-2406

Submitted on: 2/12/2024 7:56:39 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Henry Dang	Individual	Support	In Person

Comments:

Chair Lowen & Vice Chair Cochran,

Thank you for taking the time to hear House Bill 2406 relating to the establishment of the Climate Health and Environmental Action Special Fund. This fund would be financed by increasing the transient accommodation tax by twenty-five dollars to further respond to climate crises. I am in full support of this bill as it will bolster the funds needed to combat our worsening environment. Additionally, I believe these funds would be appropriated efficiently, further safeguarding Hawaii's nature, beauty, and future.

#### HB-2406

Submitted on: 2/12/2024 8:32:58 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
LIsa Grove	Individual	Support	Written Testimony Only

Comments:

Aloha Esteemed Legislators,

While I serve as the Board Chair of the Hawaii Land Trust, I am submitting testimony as a private citizen, mental health researcher, and community advocate for the 'aina. We all know our people are hurting right now. While it is more profound on Maui, mental illness and the stress of living in the most expensive state in the country is pervasive.

Our 'aina is also hurting. Devastating fires, eroding coastlines, flooding, degradation of our ocean, and changing weather patterns have wreaked havoc on our islands. And we know it is only going to get worse. We are at the point where the risk of doing nothing is too great -- inaction will lead to catastrophic consequences.

As Hawaiians have taught us, if we care for the land, the land will care for the people. We must understand that "the people" isn't just kama'aina -- tourists flock to our islands for the restorative power of our lands. Visitors also play a role in climate-related consequences, from air travel, to increased opala, to greater demand for food, to overuse and simply loving our islands to death.

We have an opportunity to make visitors part of the solution, not just a contributor to the problem. It is only fair that they do so. And I have to believe our visitors see this as their kuleana and will feel the positive effects that come with stewarding such a special place. It is a small price to pay for paradise.

Our lands are what make us whole, and these deducated resources are desperately needed right now. Please protect the aina and the people by voting yes to pase HB2406.

Mahalo nui loa,

Lisa Grove

Member, Lāna'i Planning Commission

DMAP Committee Member for Lāna'i

Submitted on: 2/12/2024 9:00:55 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alexis Schultz	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

My name is Alexis Schultz and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annual conservation funding gap. I'm a resident of Palolo Valley, Honolulu, Hawai'i. This bill would be a step towards right relation with visitors to Hawai'i as currently, it's one of extraction. If we do not initiate a reciprocal relationship with visitors who may not even be aware of how they are taking from the island, the island will be left bare of resources to sustain residents let alone the tourism industry. This bill would be like an evening of the scales.

We face surmounting and terrifying environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources. As an island region, our community safety is at risk the more years we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

This measure is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, which include regions within State parks and outside of them. If passed, HB3406 should help distribute funds to implement solutions for State and community programs working to restore our natural and cultural resources across the State. I urge the committee to pass measures that would resource our State agencies and community organizations with the funding to protect our 'āina, restore our ecosystems, and manage our natural resources to build resilience and public safety. As elected leaders you have a responsibility this year to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo nui loa for your consideration and I trust you will recognize the opportunity that this bill presents for Hawai'i.

Mahalo for the opportunity to testify,

**Alexis Schultz** 

Submitted on: 2/12/2024 9:12:50 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Christina Comfort	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am a resident of Pupukea and an oceanographic researcher working on coastal conservation issues. Due to my work I see firsthand the challenges that Hawaii's ecosystems face as climate change progresses and agree that it is an urgent need to find climate resilience work in the islands. I strongly support this bill,

Christina Comfort

Submitted on: 2/12/2024 9:24:53 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shauna Springer	Individual	Support	Written Testimony Only

Comments:

Aloha mai kākou,

My name is Shauna Kēhaunani Springer and I am submitting written testimony in strong support of HB2406, which would help resource our environment through visitor investment and help close our \$360 million annually conservation funding gap.

I am from the island of O'ahu and now live on Hawai'i Island. I grew up in Kaimukī and Kapahulu and spent most of my youth in Waikīkī, playing at the beach, surfing, diving and going holoholo. I moved to Hawai'i Island after graduating High School to attend UH-Hilo. I majored in Hawaiian Studies and Marine Science so I could help my community and Hawai'i with the mounting issues that our Island home faces.

The management of our cultural and natural resources is challenging and requires a multi-faceted approach with diversified funding sources. Over the years, I've seen my share of the many visitors that come to enjoy Hawai'i. SB2406 is a critical step to ensuring visitors are paying their fair share for the places they use, visit, and experience during their time here, including these resources.

Our 'āina needs all the support and through this investment, we are able to bring funding to help safeguard our communities and environment from the threat of the climate crisis. There is immense public support for this initiative, and HB2406 is a clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond.

Mahalo for the opportunity to testify,

Shauna Kēhaunani Springer

Submitted on: 2/12/2024 9:26:06 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sam Peck	Individual	Support	Written Testimony Only

Comments:

#### Aloha Chair Lowen, Vice Chair Cochran and Honorable Members of the Committee,

I am **testifying in full support** of this measure. Our 'āina needs to be properly stewarded and protected. This fee will generate funds to do that, without harming or increasing financial strain on local families.

Testimony by Dr. Clay Trauernicht IN SUPPORT of HB 2406, Relating to State Finances

For the hearing on February 13th, 2024

To Representatives Nicole Lowen and Elle Cochran, Chair and Vice Chair, respectively, of the Committee on Energy and Environmental Protection:

I am submitting testimony in support of HB 2406 which would establish the Climate Health and Environmental Action Special Fund within the Department of Land and Natural Resources. I have been working at the University of Hawai'i at Mānoa in the field of wildfire science and management since 2013 and specifically on ecosystem conservation and watershed protection since 2021. However, I am submitting this testimony as an individual and not as an official University of Hawai'i (UH) spokesperson.

The proposed bill identifies and responds to a critical need for Hawai'i and provides a viable means by which to increase funding for the protection of Hawai'i's lands and ocean, which has been and remains critically under-resourced.

Ample scientific research demonstrates that protecting and rehabilitating terrestrial and marine ecosystems results in many, many societal benefits, including sustaining Hawai'i's irreplaceable biological diversity, decreasing the risk and impacts of fire and flood events, increasing groundwater recharge and carbon storage, reducing sediment flows to coral reefs, increasing food production, and most importantly, ensuring the perpetuation of Hawaiian language and cultural practices.

There are many people and programs that demonstrate the kinds of projects and actual work required to maintain watershed health - reforestation, restoration of terrestrial and marine ecosystems, and re-establishing traditional and regenerative agriculture. However, realizing the benefits I listed above ultimately depends on building a labor force which is both large enough and adequately compensated.

This bill will provide funding for actions which are arguably the most tangible investments we as a society can make to ensure our communities are not only resilient to, but will thrive under, the continuing impacts of climate-related and other environmental stressors.

Framed in the context of labor, this bill not only provides a means for protecting Hawai'i's biophysical and cultural wealth, but also a means for investing in its people by providing meaningful work.

Sincerely,

Mic Jut

Clay Trauernicht, PhD Extension Specialist in Ecosystems and Fire University of Hawai'i at Mānoa

Submitted on: 2/12/2024 10:31:29 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
JOHN KNOX	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lowen, Vice Chair Cochran, and Honorable Committee Members --

My name is John M. Knox, a Waimanalo resident and recently retired socio-economic consultant heavily involved for many years in tourism strategic planning and social impact assessments. I write in support of HB2406, and wish to offer brief comments about differences from other suggested approaches to financing destination management actions.

I have read that many industry spokesmen prefer an approach where State and County agencies in charge of congested parks/facilities could charge site-specific fees used to maintain those sites -- an approach amenable to the potential "smart app" for visitor reservations and fees. I like that, too! But this is not an "either/or" decision; it can and should be "both/and."

The smart app and site-specific fee strategy is well-suited to larger facilities such as Hanauma Bay or Diamond Head. "Green fee" funds would have different uses: First, of course, broad climate change and environmental protection for things like reef and wildfire protection, that do not involve site-specific reservations. Second, there are many small visitor choke points needing improvement, places where people naturally stop on impulse but create problems by so doing -- examples include lookout points on O`ahu's Ka Iwi Coast or along the Hana Road. From the visitor perspective, these are the unexpected magical moments that make a trip to Hawai`i worthwhile. But from my own perspective driving the Ka Iwi highway several times a week, they are parking spillover nightmares threatening serious accidents.

As the Legislature considers the full spectrum of destination mangement needs and funding options, I urge that final bills include some clear mechanism for various responsible agencies to obtain both community and environmental expert input (along with industry perspectives) on priorities and implementing actions -- and then to communicate and collaborate with one another to the extent possible. Each agency and stakeholder group will have its own mission and its own priorities, but the public interest is best served by some transparent process that avoids "silos" and internal "black box" decision-making processes. Please definitely pass HB2406, but as part of a package of destination management actions (and an overlapping package of climate protection actions) that assure coordinated rather conflicting results on the part of various government agencies, as well as ongoing systematic input from communities and appropriate technical experts.

Thank you for your attention to this testimony! -- John M. Knox

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

## <u>HB-2406</u>

Submitted on: 2/13/2024 8:31:22 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kekoa McClellan	American Hotel and Lodging Association	Comments	In Person

Comments:

Aloha, present for comments.

Submitted on: 2/13/2024 9:03:41 AM Testimony for EEP on 2/13/2024 9:30:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in favor of this bill because I believe it is necessary to do what we can to fund a sustainable economy. Mahalo.