

STAND. COM. REP. NO. 714

Honolulu, Hawaii

FEB 17 , 2023

RE: H.B. No. 1162

H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1162, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO VISITOR IMPACT FEES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Visitor Impact Fee Program within the Department of Land and Natural Resources, to collect a fee for a license to visit a state park, forest, hiking trail, or other state natural area;
- (2) Establish, and appropriate funds into and out of, the Visitor Impact Fee Special Fund; and
- (3) Require the Department of Business, Economic Development, and Tourism to conduct a study on the potential revenues expected to be generated by the Visitor Impact Fee Program.

Your Committee received testimony in support of this measure from the Office of the Governor, Department of Land and Natural Resources, Hawai'i Tourism Authority, Surfrider Maui Chapter, Wild Kids, Conservation International, Kanu Hawai'i, Kua'āina Ulu 'Auamo, Kupu, Surfrider Foundation Hawai'i, The Nature Conservancy, Hawai'i



Alliance for Community-Based Economic Development, Sustainable Coastlines Hawai'i, Blue Planet Foundation, Hawai'i Reef and Ocean Coalition, Hawai'i Forest & Trail, Trust for Public Land, Hawai'i Alliance for Progressive Action, Hawai'i Youth Climate Coalition, Wastewater Alternatives & Innovations, National Tropical Botanical Garden, Young Progressives Demanding Action, The Conservationist Collective, Pono Hawai'i Initiative, Parley for the Oceans, Resources Legacy Fund, Malama Pupukeya-Waimea, Hawai'i Land Trust, Mālama Learning Center, Papahānaumokuākea Marine Debris Project, Kuleana Coral Restoration, Zero Waste Hawai'i Island, Travel2Change, Mālama Maunaloa, Kailua Beach Adventures, Good Food Movement, Care About Climate, Protea Zero Waste Store, Kailua Beach Adventures, Agripelago, Native Ecosystem Services, Delphi Cinema, Keep it Simple Honolulu, North Shore Community Land Trust, Hawai'i Wildlife Fund, Kingdom Pathways, Kokonut Coalition, Climate Protectors Hawaii, Hyperspective, Imua Alliance, Hui Maka'āinana O Makana, Kingdom Pathways, Maui Hotel & Lodging Association, Hui o Ho'ohonua, Hawai'i Lodging & Tourism Association, Sustainable Coastlines Hawai'i, and numerous individuals. Your Committee received testimony in opposition to this measure from three individuals. Your Committee received comments on this measure from the Department of the Attorney General, Kohala Coast Resort Association, Tax Foundation of Hawaii, and three individuals.

Your Committee finds that the natural resources of the State sustain all life on the island and are huge economic assets and prime tourist attractions. However, due to the natural beauty of the State, much of these natural resources are overused, specifically by visitors, and maintenance efforts are often underfunded. Your Committee notes that the establishment of visitor impact fees in other tourism-focused economies have allowed for greater investment in these natural resources. Your Committee believes that the State will benefit greatly from imposing a visitor impact fee to ensure that the State's natural resources are properly maintained.

Your Committee has amended this measure by:

- (1) Clarifying the purpose of the Visitor Impact Fee Program;



- (2) Specifying that areas subject to the Visitor Impact Fee Program are certain state-owned areas, as designated by rule by the Board of Land and Natural Resources;
- (3) Deleting language that would have authorized the Department of Land and Natural Resources to charge a separate entrance fee, in addition to the visitor impact fee;
- (4) Clarifying that the amount of the visitor impact fee may be increased if the Board of Land and Natural Resources finds that the current fee is insufficient to offset visitor impacts to the State's natural and cultural resources;
- (5) Requiring the Board of Land and Natural Resources to only approve projects for grant funding from the Visitor Impact Fee Special Fund that offset the impact to natural and cultural resources caused by licensees;
- (6) Clarifying projects that qualify for grant funding from the Visitor Impact Fee Special Fund;
- (7) Deleting language that would have qualified a project that advances the State's ability to protect natural resources through the establishment, stability, and growth of an environmentally responsible workforce for grant funding and cost-matching funds from the Visitor Impact Fee Special Fund;
- (8) Clarifying that the Board of Land and Natural Resources may allocate monies from the Visitor Impact Fee Special Fund to provide cost-matching funds for federal grants that offset the impact to natural and cultural resources caused by licensees;
- (9) Authorizing the Board of Land and Natural Resources, with the permission of the Governor, to transfer monies from the Visitor Impact Fee Special Fund to other state departments and agencies;
- (10) Clarifying that the Department of Land and Natural Resources shall use best efforts to provide grant recipients with access to any state land or natural

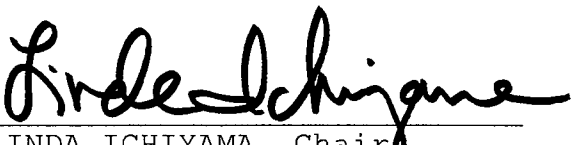


resources for purposes of the Visitor Impact Fee Program;

- (11) Requiring, rather than authorizing, the Department of Land and Natural Resources to adopt rules for the Visitor Impact Fee Program;
- (12) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1162, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1162, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Water & Land,

  
LINDA ICHIYAMA, Chair



