

STAND. COM. REP. NO.

1229

Honolulu, Hawaii

MAR 16, 2023

RE: S.B. No. 304
S.D. 2
H.D. 1

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

Sir:

Your Committee on Tourism, to which was referred S.B. No. 304, S.D. 2, 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; and
- (2) Establish and appropriate funds into and out of the Visitor Impact Special Fund for the Visitor Impact Fee Strategic Plan.

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, Hawai'i Climate Change Mitigation & Adaptation Commission, Office of Planning and Sustainable Development, Maui Hotel & Lodging Association, 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

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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, Wild Kids, 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, Agripelago, Native Ecosystem Services, Delphi Cinema, Keep It Simple Hawaii, North Shore Community Land Trust, Hawai'i Wildlife Fund, Kingdom Pathways, Kokonut Coalition, Excursions, Kokua Foundation, Hui Maka'āinana o Makana, Friends of Hanauma Bay, Imua Alliance, Maui Chamber of Commerce, Hawai'i Lodging & Tourism Association, Laukahi: The Hawaii Plant Conservation Network, and numerous individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Kohala Coast Resort Association, Grassroot Institute of Hawaii, and Tax Foundation of Hawaii.

Your Committee finds that there is a critical need for additional and scaled revenue to protect, restore, and enhance the State's irreplaceable natural resources. While visitors play a substantial role in the State's economy, they also take a heavy toll on the State's natural resources that cannot be ignored. These resources are invaluable to the livelihoods of the State's residents and an integral driver of the State's economy. Your Committee believes that a transformational investment in the State's natural resources through a visitor impact fee program will provide a pathway to environmental and economic resilience for local communities and the visitor industry.

Your Committee has amended this measure by:

- (1) Specifying that penalties shall not begin until at least five years after the effective date;
- (2) Clarifying that the Department of Land and Natural Resources shall use best efforts to provide grant recipients access to any state lands or natural



resources for purposes of a grant project under the Program;

- (3) Deleting conflicting language that would have required the Department of Land and Natural Resources to amend its rules to ensure that no license holder is assessed a separate entrance fee;
- (4) Inserting an appropriation of an unspecified amount for certain positions for the Visitor Impact Fee Program;
- (5) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (6) 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 Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 304, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 304, S.D. 2, H.D. 1, and be referred to your Committee on Water & Land.

Respectfully submitted on
behalf of the members of the
Committee on Tourism,



SEAN QUINLAN, Chair



