A BILL FOR AN ACT

RELATING TO VISITOR IMPACT FEES.

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

1 SECTION 1. The legislature finds that Hawaii's natural 2 resources, including reefs, oceans, forests, streams, estuaries, 3 shorelines, and beaches, provide irreplaceable and invaluable benefits to visitors, residents, and the global community. 4 The Hawaii State Constitution makes clear that our natural 5 and cultural resources are subject to the public trust and 6 7 therefore must be managed and protected for the benefit of present and future generations. The Hawaii State Constitution 8 9 further requires the State and its agencies to protect and 10 enforce Native Hawaiian rights, including traditional and customary practices associated with, and dependent upon, 11 12 carefully managed and abundant natural resources. 13 The legislature further finds that Hawaii's natural environment faces significant environmental pressure from the 14 15 heavy use it receives from persons traveling to enjoy the 16 State's natural resources. The current underinvestment in our

natural resources poses a significant liability to the visitor

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- 1 industry; the stability of our natural systems, including food
- 2 systems and water quality; and the ecosystems, services,
- 3 fisheries, economic resilience, and health and safety of the
- 4 State.
- 5 Hawaii residents currently contribute to the protection and
- 6 management of our natural resources through taxes, environmental
- 7 care, subsistence, cultural practices, and the exercise of the
- 8 values and practices embodied in the Hawaii State Constitution.
- 9 However, with escalating visitor impacts and an increasing
- 10 global threat to our island ecosystem, there is an immediate
- 11 need for additional resources to protect, restore, sustain,
- 12 manage, and conserve our natural resources. A regenerative
- 13 tourism fee has been suggested by the Hawaii tourism authority
- 14 as a potential means to obtain these critical resources.
- 15 Accordingly, the legislature finds that it is timely to ask
- 16 visitors who enjoy and reap benefits of Hawaii's natural
- 17 resources to further contribute to their protection, care, and
- 18 restoration.
- 19 The legislature believes that a license requirement for
- 20 visitors who enjoy Hawaii's public beaches, trails, parks, and
- 21 ecosystems could generate the necessary funding each year to



- 1 offset the adverse impacts of visitors and conserve Hawaii's
- 2 irreplaceable green infrastructure in perpetuity.
- 3 The legislature further finds that visitor impact fees,
- 4 which are also known as "green fees" or "environmental
- 5 protection fees", have been successfully implemented in many
- 6 visitor destinations throughout the world, including the
- 7 Galapagos Islands, New Zealand, and Palau. In these locations,
- 8 the fees have demonstrated compounding benefits for visitors,
- 9 residents, and natural landscapes and seascapes.
- 10 The legislature also believes that it is imperative to
- 11 raise additional revenues to offset visitor impacts and ensure
- 12 that a positive environmental legacy is left for future
- 13 generations. A visitor impact fee provides a reasonable and
- 14 appropriate way to generate these needed revenues.
- The legislature believes that establishing a visitor impact
- 16 fee of \$50 in Hawaii would be a significant and effective way to
- 17 raise additional revenue to offset visitor impacts and ensure a
- 18 healthy environment for future generations.
- 19 Accordingly, the purpose of this Act is to establish a
- 20 visitor impact fee program, to be administered by the department
- 21 of land and natural resources, and require a license for

- 1 visitors to use Hawaii's public beaches, parks, trails,
- 2 coastlines, and environment. The purpose of the visitor impact
- 3 fee program shall be to provide sustained funding for the
- 4 protection, restoration, regeneration, enhancement, and care of
- 5 Hawaii's natural and outdoor recreational resources and build
- 6 resilience of these resources to withstand the impacts of
- 7 increased visitor use.
- 8 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
- 9 amended by adding a new part to be appropriately designated and
- 10 to read as follows:
- 11 "PART . VISITOR IMPACT FEE PROGRAM
- 12 §171-A Definitions. For purposes of this part:
- "Fund" means the visitor impact fee special fund
- 14 established pursuant to section 171-E.
- "License" means a license issued pursuant to this part.
- 16 "Licensee" means a person who is issued a license pursuant
- 17 to this part.
- 18 "Nonprofit organization" means a private, nonprofit
- 19 organization that has been granted tax exempt status by the
- 20 Internal Revenue Service pursuant to section 501(c)(3) of the
- 21 Internal Revenue Code of 1986, as amended, and that has among

- 1 its charitable purposes the preservation, restoration,
- 2 management, or interpretation of natural or cultural resources
- 3 for scientific, historic, educational, recreational, scenic,
- 4 wildlife, or open-space purposes; the protection of the natural
- 5 environment or biological resources, or both; the preservation
- 6 or enhancement, or both, of wildlife; and the protection or
- 7 interpretation, or both, of Native Hawaiian cultural resources
- 8 and practices related thereto.
- 9 "Program" means the visitor impact fee program.
- 10 "Resident of Hawaii" means an individual who has:
- 11 (1) Filed or paid state income taxes for the previous tax
- 12 year; or
- 13 (2) Established domicile in the State, as evidenced by
- documentation showing the individual's address,
- including any of the following:
- 16 (A) A valid Hawaii driver's license;
- 17 (B) A valid Hawaii state identification card;
- (C) A valid school identification card issued by a
- school in the State; or
- 20 (D) Any other official document issued to the
- individual within the last thirty days by a

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                   government agency, financial institution,
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                   insurance company, or utility company in the
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                   State.
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         "Visitor" means a person in Hawaii who is not a resident of
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    Hawaii.
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         §171-B Visitor impact fee program; license; signs.
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    There is established within the department the visitor impact
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    fee program. The purpose of the program shall be to collect a
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    fee from visitors through an environmental license and allocate
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    that revenue to protect, restore, and manage natural and
    cultural resources impacted by visitors.
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         (b) Beginning on a date established by the department by
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    rule pursuant to chapter 91, each visitor who is fifteen years
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    of age or older who visits a state park, beach, forest, hiking
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    trail, or other natural area on state land, as designated by the
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    department by rule pursuant to chapter 91, shall first pay a
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    visitor impact fee to obtain a license pursuant to this part.
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              The department shall place signs at state parks,
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    beaches, forests, trail heads, or other natural areas on state
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    land to inform visitors of the requirement to pay a visitor
21
    impact fee and obtain a license pursuant to this part.
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- 1 §171-C License; purchase. (a) The department shall
- 2 establish convenient opportunities for visitors to pay a visitor
- 3 impact fee and be issued a license, including through:
- 4 (1) A mobile application; and
- 5 (2) An internet website.
- 6 The department may authorize retail establishments and nonprofit
- 7 organizations to accept payment of a visitor impact fee and
- 8 issue a license.
- 9 (b) The amount of the visitor impact fee shall be \$50;
- 10 provided that the chairperson of the board of land and natural
- 11 resources may increase the fee by rule pursuant to chapter 91 no
- 12 more frequently than once every five years.
- 13 (c) Each license shall be effective for one year from the
- 14 date of issuance.
- 15 §171-D Penalties. (a) Any applicable person who visits a
- 16 state park, beach, forest, hiking trail, or other natural area
- 17 on state land without first paying a visitor impact fee and
- 18 obtaining a license, in violation of section 171-B(b), shall be
- 19 liable for a civil fine not to exceed \$. The assessment of
- 20 penalties shall not begin until at least five years after the

- 1 establishment of the program, to allow time for effective
- 2 implementation, public education, and enforcement.
- 3 (b) Any civil fine provided under this section may be
- 4 imposed by the circuit court or by the department after an
- 5 opportunity for a hearing pursuant to chapter 91. Imposition of
- 6 a civil fine shall not be a prerequisite to any civil fine or
- 7 injunctive relief ordered by the circuit court.
- 8 §171-E Visitor impact fee special fund; established.
- 9 There is established within the state treasury the visitor
- 10 impact fee special fund, into which shall be deposited:
- 11 (1) All revenue from visitor impact fees, less any costs
- incurred in collecting those fees;
- 13 (2) All fines collected pursuant to section 171-D, less
- any costs incurred in collecting those fines;
- 15 (3) Appropriations made to the fund by the legislature;
- **16** and
- 17 (4) Grants and gifts made to the fund.
- 18 §171-F Visitor impact fee special fund; purpose;
- 19 priorities. (a) The fund shall be administered and governed by
- 20 the department:
- 21 (1) With transparency and accountability; and

1	(2)	In a manner	that	maximizes	the	effectiveness	of	the
2		program.						

- 3 (b) The department shall allocate moneys in the fund to be 4 expended directly by state agencies for projects that help offset adverse environmental impacts caused by visitors, ensure 5 6 that the State's natural resources are maintained for continued 7 use by licensees, or both. Examples of permissible projects 8 under this subsection include projects that directly restore, 9 enhance, and protect, in perpetuity, natural resources and the 10 State's unique and fragile ecological status, including projects 11 that:
- 12 (1) Protect, restore, or enhance terrestrial and marine
 13 natural resources impacted by heavy usage of
 14 licensees;
- 15 (2) Increase the resilience and adaptation of Hawaii's
 16 natural resources with environmentally beneficial
 17 strategies to reduce the adverse impacts of climate
 18 change, including coastal erosion, sea level rise,
 19 damage to reefs, ocean acidification, coral bleaching,
 20 damage to land resources, and other impacts
 21 exacerbated by licensees; or

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1	(3)	Remove and control invasive species and propagate and
2		plant native species in state-owned recreational areas
3		utilized by licensees.

- 4 (c) The department shall allocate moneys in the fund to be
 5 expended directly by the department for administration of the
 6 program, including the creation and implementation of a visitor
 7 impact fee strategic plan that includes a timetable indicating
 8 how the objectives and policies of this part will be pursued and
 9 implemented.
- (d) The department may allocate moneys to provide grants to nonprofit organizations; provided that the annual aggregate sum of grants does not exceed fifty per cent of the annual fee revenue. In awarding grants, the department shall prioritize projects that satisfy at least one of the following:
- 15 (1) Develop nature-based solutions to environmental and climate issues exacerbated by licensees;
- 17 (2) Provide significant protection, restoration, and
 18 enhancement of Hawaii's natural resources in areas
 19 impacted by licensees; or
- (3) Increase the resilience of state-owned naturalresources impacted by licensees.

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1	(e)	The department may allocate moneys to provide grants
2	to counti	es; provided that the annual aggregate sum of grants
3	does not	exceed fifty per cent of the annual fee revenue. In
4	awarding	grants, the department shall prioritize projects that
5	satisfy a	t least one of the following:
6	(1)	Develop nature-based solutions to environmental and
7		climate issues exacerbated by licensees;
8	(2)	Provide significant protection, restoration, and
9		enhancement of Hawaii's natural resources in areas
10		impacted by licensees; or
11	(3)	Increase the resilience of state-owned natural
12		resources impacted by licensees.
13	(f)	The department may allocate moneys to provide
14	cost-matc	hing funds for federal grants that satisfy any of the
15	following	priorities:
16	(1)	Develop nature-based solutions to environmental and
17		climate issues exacerbated by licensees;

(2) Provide significant protection, restoration, and

impacted by licensees; or

enhancement of Hawaii's natural resources in areas



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- (3) Increase the resilience of state-owned natural
 resources impacted by licensees.
- ${f 3}$ (g) The department may allocate moneys necessary for the
- 4 enforcement of this part, including any enforcement or legal
- 5 expenses incurred to enforce or collect penalties pursuant to
- 6 section 171-D.
- 7 (h) Moneys allocated from the fund shall be used for the
- 8 purposes described in this section; provided that these moneys
- 9 shall complement but shall not supplant other moneys regularly
- 10 appropriated for those purposes.
- 11 §171-G Grants; qualifications and conditions. (a) For
- 12 purposes of grants awarded pursuant to this part, any
- 13 organization requesting a grant shall:
- 14 (1) Be licensed and accredited, as applicable, under the
- laws of the State;
- 16 (2) Have at least one year's experience with the project
- or in the program area for which grant moneys are
- 18 requested; and
- 19 (3) Be qualified to engage in the program or activity to
- 20 be funded by the grant or employ or have under
- 21 contract persons who are qualified.

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1	(b)	Recipients of grants shall be subject to the following
2	condition	s:
3	(1)	Any organization requesting a grant shall submit its
4		request together with all information required by the
5		department on an application form prescribed by the
6		department;
7	(2)	The recipient of a grant shall not use public funds
8		for purposes of entertainment or perquisites;
9	(3)	The recipient of a grant shall comply with applicable
10		federal, state, and county laws;
11	(4)	The recipient of a grant shall comply with any other
12		requirements the department may prescribe;
13	(5)	The recipient of a grant shall allow the department,
14		the legislative bodies, and the auditor full access to
15		records, reports, files, and other related documents
16		so that the program, management, and fiscal practices
17		of the grant recipient may be monitored and evaluated

to assure the proper and effective expenditure of

public funds;

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1	(6)	Each grant shall be monitored pursuant to rules or
2		policies established by the department to ensure
3		compliance with this part; and

- (7) Any recipient of a grant under this section who withholds or omits any material fact, deliberately misrepresents facts to the department, or violates the terms of the recipient's contract shall be in violation of this section and, in addition to any other penalties provided by law, shall be prohibited from applying for a grant under this part for a period of five years from the date of termination.
- 12 (c) The department shall provide grant recipients with 13 access to any state lands or natural resources necessary to 14 effectuate the project for which the grant is awarded.
- 15 §171-H Report to legislature. (a) No later than twenty
 16 days prior to the convening of the regular session of 2025 and
 17 each year thereafter, the department shall submit a report to
 18 the legislature.
- 19 (b) The report shall contain information on ways that the 20 fund restored, enhanced, and protected Hawaii's state-owned 21 natural resources, and its unique and vulnerable ecosystem,

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- 1 during the previous fiscal year, as well as the benefits that
- 2 accrue or will accrue from those expenditures for the benefit of
- 3 the State's natural resources.
- 4 (c) The department shall publish the reports on its
- 5 website.
- 6 §171-I Rules. The department may adopt rules pursuant to
- 7 chapter 91 necessary for the purposes of this part, including
- 8 any rules necessary to increase license fees and to ensure that
- 9 persons who purchase a license are aware that the license is
- 10 broader than an entrance fee to visit a specific state park,
- 11 forest, hiking trail, or other natural area on state land, which
- 12 is used explicitly for that park, forest, hiking trail, or other
- 13 natural area."
- 14 SECTION 3. The department of land and natural resources
- 15 shall amend its rules in accordance with chapter 91, Hawaii
- 16 Revised Statutes, including the fee schedule for state parks
- 17 that is adopted pursuant to section 184-3.2, Hawaii Revised
- 18 Statutes, to ensure that persons who purchase a license pursuant
- 19 to sections 171-B and 171-C, Hawaii Revised Statutes, are not
- 20 assessed a separate entrance fee to visit a state park, beach,

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- 1 forest, hiking trail, or other natural area on state land to
- 2 which access is granted by the license.
- 3 SECTION 4. There is appropriated out of the general
- 4 revenues of the State of Hawaii the sum of \$ or so much
- 5 thereof as may be necessary for fiscal year 2023-2024 to be
- 6 deposited into the visitor impact fee special fund.
- 7 SECTION 5. There is appropriated out of the visitor impact
- **8** fee special fund the sum of \$ or so much thereof as may
- 9 be necessary for fiscal year 2023-2024 for the strategic plan
- 10 with a timetable indicating how the objectives and policies
- 11 established in part of chapter 171, Hawaii Revised Statutes,
- 12 will be pursued and implemented.
- 13 The sum appropriated shall be expended by the department of
- 14 land and natural resources for the purposes of this Act.
- 15 SECTION 6. The appropriation made by section 5 of this Act
- 16 shall not lapse at the end of the fiscal year for which the
- 17 appropriation is made; provided further that all moneys from the
- 18 appropriation unencumbered as of June 30, 2025, shall lapse as
- 19 of that date.
- 20 SECTION 7. In codifying the new sections added by
- 21 section 2 and referenced in section 3 of this Act, the revisor



- 1 of statutes shall substitute appropriate section numbers for the
- 2 letters used in designating the new sections in this Act.
- 3 SECTION 8. This Act does not affect rights and duties that
- 4 matured, penalties that were incurred, and proceedings that were
- 5 begun before its effective date.
- 6 SECTION 9. This Act shall take effect on July 1, 2050.

Report Title:

DLNR; Visitor Impact Fee; Appropriations

Description:

Establishes the Visitor Impact Fee Program within the Department of Land and Natural Resources, through which the department will collect a fee from visitors for a license to visit a state park, forest, hiking trail, or other state natural area. Establishes, and appropriates moneys into and out of, the Visitor Impact Fee Special Fund. Effective 7/1/2050. (SD2)

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