

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

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
KA 'OIHANA KUMUWAIWAI 'ĀINA

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LAND  
STATE PARKS

Testimony of  
DAWN N. S. CHANG  
Chairperson

Before the House Committee on  
FINANCE

Wednesday, February 26, 2025  
10:50AM

State Capitol, Conference Room 308, and Via Videoconference

In consideration of  
HOUSE BILL 504, HOUSE DRAFT 1  
RELATING TO ENVIRONMENTAL STEWARDSHIP

House Bill 504, House Draft 1 amends the transient accommodations tax rate and requires a \$20 transient accommodation tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program, and appropriates funds to DLNR for protection, management, and restoration of the State's natural resources. **The Department of Land and Natural Resources (Department) supports this measure.**

Hawai'i's natural and cultural resources provide our drinking water, sustain all life on our islands, are significant economic assets and prime attractions of our tourism industry, and support our communities' well-being, health, and identity. 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 against 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.

Increased tourism-related taxes and fees have allowed places like the Republic of Palau, the Galapagos Islands, New Zealand, and the Maldives to allow more significant 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 unique places. Many visitors and residents

do not mind paying a fee if they know it goes back to caring for the beautiful places and resources they have come to enjoy.

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). 74% supported using environment-related fees; 80% supported a visitor-related fee. 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 Maldives have not experienced a decline in visitors due to their green fees.

Establishing this fund is essential to closing the gap between existing and needed funding for managing 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 Hawai‘i’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.

For a more detailed understanding of specific projects these funds could support, please explore the Division of Forestry and Wildlife’s [interactive story map<sup>\[1\]</sup>](#), highlighting ongoing and potential environmental stewardship initiatives across the state. Viewers can learn about the location, budget, and descriptions of over 80 possible projects.

Mahalo for the opportunity to testify on this measure.

<sup>[1]</sup> See <https://arcg.is/0GOfl10>



TESTIMONY OF  
**DANIEL NĀHO'OPI'I**  
**Interim President & CEO**  
Hawai'i Tourism Authority  
before the  
**HOUSE COMMITTEE ON FINANCE**  
Wednesday, February 26, 2025  
10:50 a.m.  
State Capitol, Room 308

In consideration of  
**HB 504 HD 1**  
**RELATING TO ENVIRONMENTAL STEWARDSHIP**

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) offers comments on HB 504 HD 1, which amends the transient accommodations tax (TAT) rate of January 1, 2027 and requires a \$20 TAT to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program. It also appropriates funds to DLNR for protection, management, and restoration of the State's natural resources. It also sets the effective date to July 1, 3000.

There are several proposals before the Legislature this session that suggest increasing the TAT for specific purpose funds or to support the work of non-tourism state agencies. We have concerns about increasing the TAT without a specific dedication of TAT for tourism through destination management, stewardship, and marketing. Furthermore, while we understand the intention behind raising the TAT, we caution that such tax increases should not create barriers to travel but provide a positive and competitive business environment [HRS 201B-3(a)(17)].

Since the TAT is paid predominantly by visitors, a specific dedication to these efforts would clearly demonstrate the visitor's contribution to mitigating visitor impacts and innovating improvements to our tourism product. It would also ensure that HTA has the resources to ensure the visitor industry's continued contributions to Hawai'i's economy – an estimated \$21 billion in visitor spending in 2024, and a corresponding \$2.4 billion in state tax revenues to support a number of public priorities as decided by the Legislature.

Mahalo for the opportunity to share our comments on HB 504 HD 1.

JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Ka 'Oihana 'Auhau  
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GARY S. SUGANUMA  
DIRECTOR

KRISTEN M.R. SAKAMOTO  
DEPUTY DIRECTOR

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

**TESTIMONY ON THE FOLLOWING MEASURE:**

H.B. No. 504, H.D. 1, Relating to Environmental Stewardship.

**BEFORE THE:**

House Committee on Finance

**DATE:** Wednesday, February 26, 2025

**TIME:** 10:50 a.m.

**LOCATION:** State Capitol, Room 308

Chair Yamashita, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 504, H.D. 1, for your consideration.

H.B. 504, H.D. 1, amends section 237D-2, Hawaii Revises Statute (HRS), which imposes and sets the rates for the transient accommodation tax (TAT). The bill amends the TAT rate on transient accommodations to an unspecified amount starting on January 1, 2027, and amends the TAT rate on resort time share vacation units to an unspecified amount beginning on January 1, 2027. The bill further amends the allocation to the mass transit special fund to an unspecified amount.

Additionally, the bill adds a new subsection (f) to section 237D-2, HRS, imposing a tax of \$20 per night for transient accommodations booked using points, miles, or other membership, loyalty, or rewards programs, beginning on January 1, 2027.

H.B. 504, H.D. 1 has a defective effective date of July 1, 3000.

DOTAX notes that enforcement of the surcharge presents challenges, as the TAT is currently assessed on gross rentals or gross rental proceeds derived from furnishing transient accommodations. These amounts are already reported by taxpayers for income tax purposes and can be easily verified.

Conversely, nightly bookings made with points, miles, or other rewards programs are not currently reported on any tax forms and are not readily available for DOTAX to audit. Effective enforcement of the measure would require taxpayers to report bookings made each night through rewards programs and may require individual examinations to verify. This will require significant form changes and training for investigators and field auditors to implement.

Thank you for the opportunity to provide comments on this measure.



February 24, 2025

Representative Kyle Yamashita, Chair  
Representative Jenna Takenouchi, Vice Chair  
Committee on Finance  
House of Representatives  
Hawaii State Legislature

### **Opposition to HB 504 HD1**

Dear Chair Yamashita, Chair Takenouchi and Members of the Committee on Finance,

Thank you for the opportunity to provide our testimony in opposition to HB 504 HD1.

Until the State of Hawaii and all four counties have shown that they are fairly and equitably collecting the full amount of Transient Accommodations Tax (TAT) and General Excise Tax (GET) that are legally due from **all** accommodations types – hotels, timeshares and short-term vacation rentals - the Kohala Coast Resort Association (KCRA) will consistently oppose any increases.

The KCRA conducts an economic and community impact report every two years. Through our attached 2024 report (based on 2023 data), we showed that the hotels and timeshares on the Kohala Coast paid the vast majority of the TAT collected from our island – more than \$75.7M. And yet, we represent only a portion of the hotels, timeshares, and short-term vacation rentals located on Hawaii Island.

Granicus/Host Compliance, which aggregates data from the hosting platforms and works with governments across the country to collect the taxes that are owed, has been delving into the impact of **unpaid TAT** in Hawaii. They have provided proposals to the State Department of Taxation, the City and County of Honolulu, and recently provided a report to Hawaii County leaders. That Hawaii County report showed there were 8,700 unique short-term vacation rentals operating on our island as of November 2024, with an average daily rate of \$347/night.

With an average occupancy of 50%, based on DBEDT's vacation rental reports, if the TAT were equitably collected, those operators should have paid \$56.4M in TAT to the state, and \$16.5M in TAT to Hawaii County. And yet the line item for Hawaii County TAT collections for fiscal year 2023-24 was \$24M, \$17M of which was paid only by the members of the KCRA. **The math just doesn't add up.**

Bill 504 would also require that a \$20 fee for TAT be levied on accommodations provided in exchange for points, miles, or other accounts through a loyalty program. This section specifically targets the users of hotels and timeshares, and does not take into account the significant impact of visitors staying in other types of accommodations across the state.

Visitation to Hawaii is not a given. Visitors have more opportunities than ever before to visit destinations around the world. And Hawaii already has the reputation of having some of the highest visitor taxes in the world, as this article from the January 25, 2025 edition of Travel+Leisure attests - [What to Know About the Proposed Tourist Fee in Hawaii](#). Hawaii's high visitor taxes aren't just being discussed by lawmakers and the visitor industry. The visitors, especially corporate meeting planners, are using our high visitor taxes as a justification to take their business to other destinations like Florida and Mexico.

And further, the State of Hawaii needs to show visitors that the taxes they currently pay (TAT, GET, rental car fees, airport landing fees, ocean tourism fees, parking fees at parks like Hapuna Beach State Park) are being collected fairly, and used to address visitor impacts in those areas. With the vast majority of tax collections going into the state's general fund, there is no clear nexus.

On behalf our 5,500 employees and their 17,500 family members, we thank you for the opportunity to provide our comments in opposition to HB504 HD1.

Sincerely,



Stephanie Donoho, Administrative Director

Craig Anderson, VP Operations, Mauna Kea Resort –President  
Pat Fitzgerald, CEO, Hualalai Investors – Vice President  
Charlie Parker, General Manager, Four Seasons Hualalai – Secretary  
Daniel Scott, Managing Director Rosewood Kona Village – Treasurer  
Chris Sessions, DOSM, Fairmont Orchid – Board of Directors  
Scott Head, VP Resort Operations, Waikoloa Land Company – Board of Directors  
David Givens, General Manager, Hilton Waikoloa Village – Board of Directors  
Rob Gunthner, Area VP Resort Operations, Hilton Grand Vacations – Board of Directors  
Pete Alles, Regional VP and GM, Mauna Lani, Auberge Resorts Collection – Board of Directors  
Mark Goldrup, General Manager, Waikoloa Beach Marriott – Board of Directors



## 2024 Executive Summary - KCRA Economic and Community Impacts

- ❖ The Kohala Coast consists of a twenty-mile stretch on the northwest shore of the Island of Hawaii. The Kohala Coast is a part of both the North Kona and South Kohala districts of Hawaii County. The KCRA was established in 1984 by the developers of the master-planned resorts along the Kohala Coast. Over the last 40 years, the KCRA has grown to include Hualalai, Waikoloa, Mauna Lani and Mauna Kea Resorts, as well as the hotel and timeshare management companies located within those resorts.
- ❖ KCRA members have invested billions of dollars in private funding to develop and maintain the infrastructure within the resorts, which are utilized and enjoyed by residents and visitors alike. These include roadways, water, wastewater, parks, restrooms, shopping centers, historic sites, interpretive signage, and community facilities.
- ❖ When combined, the amount paid by KCRA members for GET, TAT, property taxes, payroll for their employees, construction and renovation projects, marketing efforts, agricultural enhancements, and charitable donations sums to more than \$815 million for 2023 alone.
- ❖ KCRA members operate 2,718 hotel rooms and 1,229 timeshares. The resorts also contain 778 resort residential units, home to both full and part-time Hawaii residents, as well as legal short-term vacation rentals. KCRA resorts also include shopping centers, golf courses, spas, and restaurants representing more than 100 small businesses.
- ❖ KCRA members represent 5 of the top 10 private employers on the island according to *Pacific Business News*. Collectively KCRA members employ nearly 5,500 residents, supporting more than 17,000 community members.
- ❖ The average salary and benefits package for employees of KCRA member properties is nearly \$82,000 per year, with starting salaries for full-time positions in the mid-\$50K. Starting hourly rates for employees average more than \$17.50/per hour.
- ❖ The vast majority of KCRA members' employees live in zip codes neighboring the Kohala Coast (96738, 96740, 96743, 96755, 96727). Less than 8 percent of KCRA members' employees live in East Hawaii (from 2022 report).
- ❖ In 2023 KCRA members paid more than \$44.3 million in GET and **\$75.7 million in TAT to the State of Hawaii and County of Hawaii**. KCRA's members, as well as the businesses and residents within our resorts, paid nearly \$151 million in property taxes to Hawaii County in 2023, accounting for more than one-third of all property taxes.
- ❖ Member resorts have spent more than \$658 million on construction and renovations since 2020. We also welcomed back Kona Village, which had been a previous member, was destroyed by the 2006 tsunami, and came back online in 2023. These construction upgrades allow Hawaii County to keep its competitive advantage as a visitor destination, while creating numerous jobs for other residents statewide in the construction industry. During the next six years our members will invest nearly \$1 billion more, including major hotel renovations at Mauna Kea Beach Hotel, and the creation of the first affordable rental housing project within a resort footprint in the State of Hawaii, with the development of Kumu Hou at Waikoloa Resort.
- ❖ KCRA members actively participate in the Hawaii Island Destination Management Action Plan (DMAP) and have led efforts on Hawaiian cultural education programming for visitors; promotion of local agricultural products through their restaurants and retail outlets; as well as stewardship and maintenance of the natural resources along the coastlines where resorts are located. KCRA resort employees supplement the work of our first responders and emergency services with privately funded safety and security personnel and lifeguard programs benefiting visitors and residents alike. In addition, KCRA members actively participate in the marketing and management activities of the destination, supplementing the funding allocated to the Hawaii Tourism Authority and Island of Hawaii Visitors Bureau, spending nearly \$200 million in private funds in the last four years.



- ❖ KCRA is proud that the leadership teams for our hotels, timeshare management companies and resorts are comprised of hundreds of local residents. At seven of our member properties more than 40% of their managers are from Hawaii, with one property leading our efforts with 85% of its management team from the state.
- ❖ KCRA members are incredibly generous, collectively donating more than \$2 million annually to local non-profit organizations. One signature event, hosted at KCRA member properties, is the Hawaii Lodging and Tourism Association's annual Visitor Industry Charity Walk. Since its inception more than 40 years ago, the Charity Walk has raised nearly \$20 million for local charities, and new fundraising records are established each year.
- ❖ In addition to their substantial financial contributions, employees at KCRA member properties also volunteer thousands of hours annually to community organizations. As leaders within their respective resort communities, KCRA members also introduce part-time and full-time residents who live in their respective resorts to philanthropic opportunities across the island and the state. As a collective, we work hard to address the high cost of living for members of our community who fall into ALICE designations.
  - KCRA members regularly support the Hawaii Island Food Basket, Salvation Army food drives, and their chefs and culinary teams provide support for community meal programs, such as the one at St. James Episcopal Church in Waimea, which reaches more than 950 families each week.
  - KCRA members are highly invested in environmental causes including: Four Seasons Resort Hualalai's Legacy Trees initiative, where more than 65,000 koa trees have been planted to protect watersheds; Mauna Kea Resort's partnerships with the Nature Conservancy and Hawaii Island Land Trust; and Fairmont Orchid's partnership with the Waikoloa Dry Forest initiative. KCRA members' employees and family members regularly gather for beach and road cleanup projects all along the Kohala Coast.
  - Many KCRA members volunteer with different hula halaus, cultural clubs, sports teams and educational groups to showcase our island's diverse cultures and interests. Our members sponsor performances promoting the Hawaiian, Japanese, Portuguese, and Chinese cultures that make up our diverse island. We also host running, cycling, triathlons, paddling, golf, tennis and youth sports clinics and events.
  - Our KCRA team members serve on the board of directors for business, arts and cultural organizations; support educational, religious and community organizations; and even help defray the costs of education and home ownership, through our resident-driven ohana foundations.
- ❖ In addition to the arenas mentioned above, KCRA members provide vital support for other sectors including: retail – 3 shopping centers, restaurants, art galleries and pop-up small business incubators; services – real estate, architecture, landscape, interior design; special events – festivals, sports, weddings, photography, florists; natural resources stewardship - trails, bays, beaches, anchialine ponds, signage; and cultural preservation - historic sites, petroglyphs, and native Hawaiian cultural education programs.

### **Sustainable tourism management is exemplified by the members of the KCRA.**

Craig Anderson, VP Operations, Mauna Kea Resort –President  
 Pat Fitzgerald, CEO, Hualalai Investors – Vice President  
 Charlie Parker, General Manager, Four Seasons Hualalai – Secretary  
 Daniel Scott, Managing Director Rosewood Kona Village – Treasurer  
 Chris Sessions, DOSM, Fairmont Orchid – Board of Directors  
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 Mark Goldrup, General Manager, Waikoloa Beach Marriott – Board of Directors



February 24, 2025

FIN HEARING: February 26, 2025, 10:50 AM

Re: **HB504 HD1 Support** - Environmental Stewardship Fee - TAT

Aloha FIN Chair Yamashita, Vice Chair Takenouchi, and Members,

Mālama Pūpūkea-Waimea (MPW) is a grassroots, community non-profit that actively works to care for, educate about, and protect our fragile, near-shore marine ecosystems. Our mission is “working to replenish and sustain the natural and cultural resources of the Pūpūkea and Waimea ahupua'a for present and future generations through active community stewardship, education, and partnerships.

MPW **strongly supports HB504 HD1** as a mechanism to reinvest tourism revenue into the very natural resources that bring tourists to Hawai'i, and which residents rely on for quality of life, cultural practices, recreation, and sustenance.

As an “on the ground” and “in the water” non-profit, MPW sees every day the **impact of tourism** on our beach parks, our MLCD, and the surrounding community.

Pathways are eroded, bathrooms overloaded, marine life trampled, signage ignored, and the lack of staffing by state and county agencies puts a huge burden on communities and non-profits who work extremely hard to raise private and grant funding to protect our 'āina.

By diverting a small percentage of TAT, the re-investment and payoff for resiliency will be significant. Given the very high prices of tourism lodging, the rates for which seem to have been raised by a very large % in recent years, tourists are likely to be grateful instead of resentful if they know that a few of their dollars spent each day are going directly back to the resources that make Hawai'i so special. We need a **durable significant funding boost** for our deteriorating natural resources.

Mahalo for the opportunity to support this important measure.

Denise Antolini

President, MPW

**Mālama Pūpūkea-Waimea**  
**Post Office Box 188**  
**Hale'iwa, HI 96712**

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**Testimony of The Nature Conservancy  
Supporting HB 504 HD1, Relating to Environmental Stewardship  
Committee on Finance  
February 26, 2025 at 10:50 am  
Conference Room 308 and via Videoconference**

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports HB 504 HD1, which would amend the transient accommodations tax rate, require a \$20 transient accommodation tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program, and appropriate funds to DLNR for protection, management, and restoration of the State's natural resources.

Hawai'i faces surmounting environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. As an island region, our community safety faces growing risk the longer 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.

Unfortunately, as a community we have not committed the level investment needed to properly manage and conserve and build resilience in these resources. In a recent report on the state of financing Hawai'i's natural resources, the Care for 'Āina Now Coalition found that Hawai'i has an annual conservation funding gap between \$561 million and \$1.69 billion per year. If we don't immediately address these needs, we will only find it harder to safeguard the treasured resources we all hold dear.

At the same, millions of visitors come to Hawai'i to experience our unique natural and cultural resources every year, which puts immense pressure on these already strained environments. An environmental stewardship fee would establish a reciprocal relationship between visitors and the environment, ensuring that Hawai'i remains a paradise by maintaining the integrity of its ecosystems. Recent polling funded by the Nature Conservancy and the Trust for Public Land shows that 76% of visitors (and 85% of repeat visitors) are willing to pay an annual visitor fee to protect and restore land, water, wildlife and cultural resources, including 25% that stated they would be more likely to visit if such structures were in place.

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HB 504 HD1 is one 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. By adjusting the Transient Accommodations Tax, closing loopholes, and committing funds directly to mālama 'āina, HB504 HD1 makes the long-term, sustained investment we so desperately need. We urge the Committee to support this important measure.

Mahalo for the opportunity to testify in support of HB 504 HD1.

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*Guided by science, TNC is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 nature preserves and have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.*

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**HB-504-HD-1**

Submitted on: 2/24/2025 3:11:45 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments: People who come to visit Hawaii and appreciate its fabulous natural beauty want to help preserve it. With the looming loss of federal funds for climate resilience and mitigation we must find other resources for this most important challenge before us. As a Climate Action Coalition on Kauai we believe it is also import to include a community grant component. A wide reach of community members and organizations in needed in this important work. We are your frontline and the informed, involved, necessary part of this important work

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TRANSIENT ACCOMMODATIONS; Rate Increase to Fund Natural Resource Protection, Management and Restoration

BILL NUMBER: HB 504 HD 1

INTRODUCED BY: House Committees on Tourism and Water & Land

EXECUTIVE SUMMARY: Amends the transient accommodations tax rate. Requires a \$20 transient accommodation tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program. Appropriates funds to DLNR for protection, management, and restoration of the State's natural resources.

SYNOPSIS: Amends section 237D-2, HRS, to change the default TAT rate from 9.25% to \_\_%.

Changes the TAT rate for the period 1/1/2018 to 12/31/2030 from 10.25% to \_\_%.

Provides that for the period 1/1/2018 to 12/31/2030, \_\_% of TAT revenues are to be deposited into the mass transit special fund (section 248-2.7, HRS).

Adds a tax of \$20 per night on each furnishing of a transient accommodation in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program.

EFFECTIVE DATE: July 1, 3000.

STAFF COMMENTS: The bill includes unspecified surcharge rates. The bill cannot be scored for revenue gain/loss in its current form, and cannot be vetted properly unless numbers are inserted. We assume from the preamble of the bill that a TAT increase is intended.

This proposed increase in TAT will be borne largely by visitors. 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 help our own, there may be ripple effects from further squeezing our tourists. What policy makers need to realize is that the more they extract from the economy in taxes and fees, the more economic performance declines. To put it specifically, tourists can't vote for our lawmakers at the ballot box but they can vote with their feet. We aren't the only resort island destination in the world, and the tourists know this. As economic performance declines, so do tax revenues.

Digested: 2/24/2025



Testimony Before The  
House Committee on Finance (FIN)  
**IN SUPPORT OF HB504 HD1**  
February 26, 2025, 10:50 a.m., Room 308 & Videoconference

We are Olan Leimomi Fisher and Kevin Chang, Kua'āina Advocate and Executive Director, respectively, testifying on behalf of [Kua'āina Ulu 'Auamo \(or KUA\)](#). "Kua'āina Ulu 'Auamo" stands for "grassroots growing through shared responsibility," and our acronym "KUA" means "backbone." **Our mission is to connect and empower communities to improve their quality of life through the collective care for their biocultural (natural and cultural) heritage, serving as a "backbone organization" that supports creative, community-driven solutions to problems stemming from environmental degradation.** Hawai'i's biocultural resources continue to be negatively impacted by political, economic, and social changes, and the increasing dangers of climate change make fostering and empowering resilient communities acutely critical.

Currently KUA supports three major networks of: (1) over 40 mālama 'āina (caring for our 'āina or "that which feeds") community groups collectively referred to as E Alu Pū (moving forward together); (2) over 60 loko i'a (fishpond aquaculture systems unique to Hawai'i) and wai 'ōpae (anchialine pool systems) sites in varying stages of restoration and development, with numerous caretakers, stakeholders, and volunteers known as the Hui Mālama Loko I'a ("caretakers of fishponds"); and (3) the Limu Hui made up of over 50 loea (master experts) and practitioners in all things "limu" or locally-grown "seaweed." **Our shared vision is to once again experience what our kūpuna (ancestors) referred to as 'ĀINA MOMONA – abundant and healthy ecological systems that sustain our community resilience and well-being.**

**KUA supports HB504 HD1 as an incremental step towards 'āina momona.**

This bill would amend the Transient Accommodations Tax (TAT) rate to require a \$20 tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program. The funds collected through this bill would help to offset some of the environmental and community wellbeing degradations caused by our historically overly-extractive tourism industry by infusing the state's Department of Land and Natural Resources (DLNR) with much-needed funds dedicated to the protection, management, and restoration of Hawai'i's natural resources.

**Our state constitution requires the protection and enforcement of Native Hawaiian rights, including traditional and customary practices that are intrinsically dependent on our threatened natural resources.** Hawai'i's biocultural resources are also a part of the public trust, and must be managed and protected for the benefit of current *and future* generations. It is no secret that the historical and existing models of tourism continue to negatively affect our home, causing overcrowding and strain on our water, food, and special places – making life much less enjoyable for residents, and at the ultimate expense of our fragile ecosystems with native plants and animals being the most vulnerable. With many other governments taking

proactive steps to correct the underinvestment in their natural resources (Italy, Spain, New Zealand, Galapagos, Palau, etc.), it is time that Hawai'i – widely-known as one of the most exploited tourist destinations in the world – follows suit, to best protect our fragile environment which Native Hawaiians and kama'āina hope to continue stewarding for generations to come.

A recent survey on public support for the care of our biocultural resources found that 95% of Hawai'i voters believe that it is our kuleana to care for the ocean for future generations, and 82% support giving local communities a clear role in managing marine areas. Furthermore, 89% of those surveyed agree that we must increase our investment in our precious land, water, and animals, including our biocultural resources. We believe HB504 HD1 is a critical step to ensuring visitors are paying their fair share for the places they use, and the experiences and resources they enjoy during their time in our home.

This bill also uplifts and highlights the significant contributions of Hawai'i residents, especially those in rural and Native Hawaiian communities, beyond paying taxes for environmental care. Native Hawaiian cultural values and stewardship practices already hold many of the solutions to prevent and mitigate the climate crisis. Engaging our local communities in direct environmental management and governance, often in collaboration with our underfunded DLNR, is key to overcoming the many challenges of climate change. As such, **if this measure is passed, we strongly urge that a dedicated portion of funding specifically support and empower community-based individuals and groups as essential partners with governmental agencies in restoring, protecting, and caring for our shared biocultural resources.**

A primary function of KUA includes support for the development of an 'auwai, or a system of resources, tools, bridges, relationships, and networks that cultivate and elevate our communities' efforts to greater levels of collective impact in the care of our biocultural resources. A core catalyst for the flow in this 'auwai includes increasing the percentage of our economy, both public and private, which helps manage and regenerate the condition of the 'āina that sustains us. **Our young people today are calling for a rebalanced approach to living on our isolated and fragile island ecosystems that have for decades been subjected to an overly extractive economic approach to life – largely through tourism.** They want our government to rebalance this overuse and exploitation with better, thoughtful care for our 'āina that feeds us. They want an island culture that no longer takes for granted the environmental subsidies that allow us to thrive. Indeed, island communities that draw tourists from around the world are the canaries in the coal mine for being overrun with travelers and impacts by global climate change. Hawai'i must join this effort and be on the right side of history.

The communities we work with are committed to ensuring the long-term health of our biocultural resources. They have depended on them for generations. **Our environment, the foundation of our very existence, is about long-term investment and a vision of 'āina momona.** To get there requires taking the steps necessary for greater self-sufficiency, including development of innovative and sustainable career pathways, mindsets, relationships, and resource flows for mālama 'āina. Passing this bill out of your committee will open an essential 'auwai system toward reaching this vision.

Mahalo nui loa for considering our testimony in strong support. Please **PASS** HB504 HD1.

**Aloha 'Āina Momona no nā kau ā kau.**





P.O. Box 1662  
Honolulu, HI 96806

*Mālama Learning Center is a non-profit organization based in West Oahu. Our mission is to inspire communities to care for Hawai'i by perpetuating conservation, culture, and sustainability through education.*

## TESTIMONY IN SUPPORT OF HB 504 HD1

House Committee on Finance

Hearing Date: February 26, 2025 at 10:50 am  
Conference Room 308 & Via Videoconference  
State Capitol 415 South Beretania Street

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

Aloha Kākou. My name is Pauline Sato and I serve as the Executive Director of the Mālama Learning Center, a private, non-profit environmental education organization serving schools and communities in West O'ahu. I am submitting written testimony in strong support of HB504 HD1, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i.

I am born and raised in Hawai'i and have dedicated my career to conservation because I love our lands and waters to no end. Sadly, I see how our government has been consistently underinvesting in our 'āina. We see invasive species, fires, floods, coral bleaching, and erosion harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

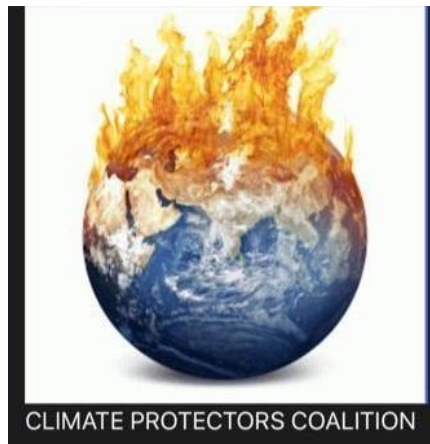
More than 12 year ago, I had the good fortune of visiting the Republic of Palau and was immediately impressed with their innovative version of a green fee. Visitors certainly did not hesitate to go there because of a fee that was less than 5% of the cost of airfare alone. The green fee in Palau continues to help the government and non-profit organizations manage their natural and cultural resources – it is time that Hawai'i has its own environmental stewardship fee.

Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

As an amendment to the bill, I would like to see the **inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs.** DLNR cannot do it alone. Let us all pitch in to help. We could do so much more together.

I urge your respective committees to pass this bill and thank you for the opportunity to testify. I am hopeful that this is the year that Hawai'i gets its own environmental stewardship fee! Mahalo for the opportunity to testify,

Aloha, 



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To: The Honorable Representative Kyle Yamashita, Chair, the Honorable Jenna Takenouchi, Vice Chair, and Members of the Finance Committee.

From: Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

Re: **Hearing HB504 HD1 RELATING TO ENVIRONMENTAL STEWARDSHIP**

Hearing: Wednesday February 26, 2025 10:50 a.m. CR308

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Finance Committee!

The Hawai'i Reef and Ocean Coalition (HIROC) is a group of scientists, educators, filmmakers and environmental advocates who have been working since 2017 to protect Hawaii's coral reefs and

ocean. We support funding for environmental stewardship measures to protect the environment, reefs and ocean.

The mission of the Climate Protectors Hawai'i is to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate. We support funding for environmental stewardship measures to protect the environment and reduce climate warming and its impacts.

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i **STRONGLY SUPPORT HB504 HD1**

Hawai'i's natural environment faces significant environmental pressure from the heavy use it receives from persons traveling to enjoy the State's natural resources. The stability of the State's natural systems is threatened, including food systems, water quality, ecosystems, fisheries, economic resilience, and health and safety.

The current **underinvestment in the State's natural resources** poses a significant liability to the visitor industry and to Hawai'i's residents. It estimated we need **at least \$560 million** more each year to effectively care for our natural and cultural resources in Hawai'i.

The escalating impacts from climate heating also create an increasing threat to Hawai'i's island ecosystem and communities. The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Additional funding is needed to restore the State's natural resources to help prevent climate crises from occurring, including wildfires, floods, coastal erosion, and degradation of coral reefs.

**It is reasonable to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.** A modest increase in the transient accommodations tax can generate greatly needed funding to help restore the State's natural resources, help prevent and respond to climate crises and leave a more positive environmental legacy for future generations. The increased tax is a reasonable and appropriate way to generate these needed revenues. **It's important that any funding generated from visitors go to a dedicated fund that is distributed to solutions that are community based and facilitate partnerships between community and agencies.** In addition to Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i, I personally volunteer with the non-profit Wastewater Alternatives and Innovations, which is working on affordable solutions to clean-up wastewater pollution, particularly from cesspools, that threatens our coral reefs.

This bill would increase the transient accommodations tax to create a source of revenue for environmental stewardship, to be implemented through additional funding to the department of land and natural resources.

For years, there has been wide public support for environmental program fees. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. *The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee.* Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We cannot wait another fire, flood, or coral bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

**Please help care for Hawaii's environment by passing this bill with an environmental stewardship fee that goes to a dedicated fund and is distributed to solutions that are community based and facilitate partnerships between community and agencies!**

Mahalo!

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

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## Care for 'Āina Now Coalition in Support of an Environmental Stewardship Fee

### Testimony in Support of HB504 HD1 House Committee on Finance

Aloha Chairs, Vice Chairs, and Members of the Committees,

This coalition is made up of local businesses, community groups, and nonprofits organizations who have supported dedicated funding for our 'āina for many years. We are writing in **strong support of HB504, a measure that would invite visitors to contribute to the resilience and safety of Hawai'i through an increase to the Transient Accommodations Tax.** The Care for 'Āina Now Coalition mission is to enhance visitor stewardship, conserve our cultural and natural resources, and invest in our 'āina to keep our community safe.

As community members across Hawai'i, we've seen the consequences of underinvesting in natural resources over time. Fires, floods, brown water pollution, and coral bleaching are all symptoms of this underinvestment. An updated assessment published in December 2024 showed a \$560 million annual funding gap in our current stewardship investment. This growing gap creates vulnerabilities for community safety and economic opportunities, especially when natural disasters strike in our backyards. **Each investment in resilience, environmental health, and collaborative stewardship saves our state costs in the long term and protects the resources that underpin our economy.**

There is immense public support for this initiative. A January 2025 polling of visitors show that two-thirds of visitors support a \$50 annual fee, half of them say a fee would not deter them from visiting Hawai'i, and a quarter of them are more likely to visit Hawai'i with an enacted fee. This initiative will not impact our visitor sector negatively, it will enhance it.

While we support HB504 HD1, we recommend the inclusion of two important components that will make the this measure as effective as possible in the long-term:

1. **Stewardship Commission:** The inclusion of a stewardship commission made up of experts across Hawai'i working in tourism, stewardship, cultural resources, and climate resilience can help inform the use of funds and projects to prioritize from their area of expertise.



2. **Granting mechanism:** A shared revenue distribution model for a visitor stewardship fee is imperative. The specific inclusion of a community grant program that dedicated at least 50% of annual revenue toward the groups working on the frontlines of mālama 'āina work in Hawai'i is essential. When it comes to this crucial work, we have leaders with lifelong expertise who have dedicated their careers to specific stewardship solutions. As the fund prioritizes projects, these partners can support DLNR in implementation. **We urge the committee to include a community grant program in HB504, and have included language from visitor stewardship fee measures below.**
  - The fund shall allocate grants to community groups and nonprofit organizations, by providing monies not exceeding fifty per cent of annual fee revenues pursuant to this section.

This coalition, which works on the frontlines of natural and cultural resource management across the State, applauds the legislature for considering diverse solutions to this complex problem, and urges you all as leaders to pass an environmental stewardship fee this session.

These community groups, organizations and businesses support funding for 'āina, resilience, restoration, protection, management, and stewardship solutions for the communities of Hawai'i

1. Agripelago
2. Blue Planet Foundation
3. Benioff Ocean Science Laboratory
4. Care About Climate
5. Citizens' Climate Lobby Hawai'i
6. Conservation Council for Hawai'i
7. Conservation International
8. Conservation Council of Hawai'i
9. Coral Reef Alliance
10. Council for Native Hawaiian Advancement
11. Delphi Cinema
12. Excurinsure
13. Everblue
14. Fish Pono–Save Our Reefs



15. Friends of Hanauma Bay
16. Full Circle Farm
17. FutureSwell
18. Good Food Movement
19. Hanalei Initiative
20. Hawai'i Alliance for Community-Based Economic Development (HACBED)
21. Hawai'i Alliance for Progressive Action (HAPA)
22. Hawai'i Environmental Change Agents
23. Hawai'i Green Growth
24. Hawai'i Impact Collaborative
25. Hawai'i Land Trust
26. Hawai'i Reef and Ocean Coalition
27. Hawai'i Wildlife Fund
28. Hawai'i Youth Climate Coalition
29. Kailua Beach Adventures
30. Kauai Climate Action Coalition
31. Kauai Farm Planning
32. Kanu Hawai'i
33. Kingdom Pathways
34. Kua'āina Ulu 'Auamo (KUA)
35. Kuleana Coral Restoration
36. Kupu
37. Limahuli Garden and Preserve
38. Leftover Love Co
39. Mālama Learning Center
40. Mālama Maunalua
41. Mālama Pupukea-Waimea
42. Maui Ocean Center
43. Maui Ocean Center Marine Institute
44. National Tropical Botanical Garden
45. Native Ecosystem Services



46. The Nature Conservancy
47. North Shore Community Land Trust
48. Papahānaumokuākea Marine Debris Project
49. Parley for the Oceans
50. Pono Hawai'i Initiative
51. Protea Zero Waste Store
52. Resources Legacy Fund
53. Reuse Hawai'i
54. Surfrider Foundation Hawai'i Chapters
55. Sustainable Coastlines Hawai'i
56. Travel2Change
57. Trust for Public Land
58. Waipā Foundation
59. Wai'oli Valley Taro Preserve
60. Wakeful State
61. Wastewater Alternatives & Innovations (WAI)
62. Wild Kids
63. Young Progressives Demanding Action
64. Zero Waste Hawai'i Island

Mahalo for your consideration to protect Hawai'i's natural resources.  
 Coalition for Care for 'Āina Now



## Testimony of Sustainable Coastlines Hawai'i

2/25/2025

Bill: **HB504**

Committee: House FIN

Position: **Support**

Hearing Date: 2/26/25 10:50 AM

Aloha Chair Yamashita and Members of the Finance Committee,

My name is Rafael Bergstrom, the Executive Director of Sustainable Coastlines Hawai'i (SCH), a local nonprofit with a mission to inspire communities to care for coastlines. SCH is in support of HB504 and the creation of an environmental stewardship fund. We appreciate the opportunity to offer support for this program that escalates in need every year. Please read below for a more detailed look at who we are and why we support these efforts. While there are things that we love about the HB504 in its current form, we also offer upfront the need for a few **amendments**:

- In relation to the pressing needs our State has just to maintain, let alone improve, the natural world that sustains our lives and brings visitors to the island, the \$20 amount is too low. There are examples around the world of visitors happily paying much higher fees per visit to protect and enhance the places they are enjoying. We suggest that the **minimum for this fee start at \$50** and be slated to go up over time.
- We believe that in addition to DLNR receiving funding to expand and continue their important work, funds should be directed to a community NGO **grant program** that is simple and get funds to the organizations that tirelessly dedicate their energies to making sure Hawai'i is protected, restored, and enhanced.
- We encourage the committee to continue exploring the possibility of mechanisms of collection that will provide a dedicated fund that is not wrapped up in other revenue streams.
- An **educational component** (videos, signage, etc.) of these fees should be mandated by law in order to help visitors understand the positive momentum they are creating by supporting the work of DLNR and other 'āina based organizations. This will enhance the experience of everyone who comes to the islands.

The vision of SCH is a world of inspired people, clean beaches, and healthy coastlines. Visitor engagement and education, volunteerism, and restoration efforts are all core actions of how we achieve our mission. Over the past 14 years SCH has removed 750,000 lbs. of debris from our coastlines, united 50,000 volunteers, reached 55,000 students with presentations and immersive education, and waded through a destructive mess of plastic pollution. We are experts on plastic pollution, the consequences of inaction, and the solutions we have at our fingertips.

The impact of visitors to our islands can be seen everywhere. While it is of course necessary to acknowledge the economy that is created around this industry, it is equally, if not more important, to understand the negative externalities of that industry and be proactive in mitigating them. While inviting visitors to be better stewards of the islands should continue, it is

not enough. Our islands run huge deficits when it comes to funding both reactive and proactive conservation and sustainability efforts. The current levels of impact are not sustainable for a livable future in Hawai'i. We need more funding to expand this work, especially in an era where federal funding mechanisms that have been in place to protect our precious resources are being rapidly dismantled.

SCH believes that the fee structure should involve an equitable disbursement of funds that offers opportunity for those doing incredible work in Hawai'i to enhance their efforts. This means that the traditional grants system needs to be broken down and realigned with a reality that most nonprofits are overwhelmed by a lack of capacity while doing their important work. Additionally, the minimum fund amount allocated to each nonprofit should be in alignment with a full-time salary and benefits at a level that is connected to the cost of living in this State. No nonprofit employee doing the work to protect this incredible place against the effects of visitors should be paid less than it costs to truly live here. For these reasons, it is imperative that an environmental stewardship fund should generate enough through the fees to allow for meaningful work to be conducted by the organizations tasked with this kuleana.

Models of similar funds have been effective across the globe and have great opportunity to create local jobs in protecting our islands for the future. Hawai'i is an ecological wonder and has a responsibility to have one of its biggest workforces be in conservation. In doing so, we will become a leader and model for the world.

We will continue to do our part with hands-in-the-sand and hands-in-the-soil work while engaging residents and visitors in opportunities to learn while restoring. Ideally everyone goes home from one of our events feeling empowered to take both individual and community action to protect our future. Mahalo for taking time to consider this important bill.

With Aloha,

A handwritten signature in black ink, appearing to read 'Rafael Bergstrom', written in a cursive style.

Rafael Bergstrom  
Executive Director  
Sustainable Coastlines Hawai'i



# Care for 'Āina Now Coalition

February 26, 2025

House Committee on Finance  
Rep. Kyle Yamashita, Chair  
Rep. Jenna Takenouchi, Vice Chair  
Members of the Committee

Re: The Imperative of Allocating Adequate Funding to Protect Natural Resources  
Support HB504 HD1, Relating to Environmental Stewardship

Aloha kākou,

On behalf of our coalition's leadership committee, we are writing in strong support of HB504 HD1 to generate funding for natural resource protection and restoration. 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 \$560 million per 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 and community organizations 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.

Please support HB504 HD1.

# Hawai'i Ocean Legislative Task Force



February 26, 2025

Hawai'i State Legislature  
House Committee on Finance

Re: Testimony in SUPPORT of HB504 HD1, Relating to Environmental Stewardship

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

The Ocean Legislative Task Force, a coalition of over 100 individuals and organizations committed to protecting Hawai'i's marine ecosystems, supports HB504 HD1, Relating to Environmental Stewardship. This bill amends the transient accommodations tax rate and establishes a \$20 per-night tax on transient accommodations obtained through points, miles, or other rewards program benefits. The revenue generated will be allocated to the Department of Land and Natural Resources to support the protection, management, and restoration of Hawai'i's natural resources.

Hawai'i's natural resources are the foundation of its communities, culture, and overall well-being. From native forests and freshwater resources to coastal lands and coral reefs, these ecosystems provide essential benefits such as clean water, biodiversity, and protection from natural disasters. However, climate change and environmental degradation continue to threaten these irreplaceable resources, increasing the risk of wildfires, coastal erosion, and ecosystem collapse. Without sufficient funding for conservation and restoration, these challenges will only grow more severe.

HB504 HD1 provides a necessary solution by establishing a dedicated funding source to protect and restore Hawai'i's environment. By increasing the transient accommodations tax, the state can allocate much-needed resources to the Department of Land and Natural Resources, ensuring proper management of ecosystems and effective responses to climate-related threats. Investing in environmental stewardship is essential for maintaining the stability of Hawai'i's food systems, water supply, and public health.

This measure is a responsible and forward-thinking approach to safeguarding Hawai'i's future. Protecting the state's natural resources is not only a constitutional responsibility but also a moral obligation to current and future generations. We strongly support HB504 HD1 and urge its passage to secure a healthier and more resilient Hawai'i.

Mahalo for the opportunity to testify in support of this important measure.

*The Ocean Legislative Task Force advocates for measures that promote funding for natural resource protection and restoration, ocean resources, coral reefs, subsistence fishing, and coastal resilience, and other priorities.*



RESOURCES LEGACY FUND®  
CREATIVE SOLUTIONS. LASTING RESULTS.

**DATE: February 26, 2025**

**Re: Strong Support for HB504 HD1, Relating to Environmental Stewardship**

Aloha Chair Yamashita, Vice Chair Takenouchi, and esteemed committee members,

On behalf of Resources Legacy Fund, I am writing to express our strong support for HB504 HD1. This bill increases and amends the transient accommodations tax (TAT) to provide dedicated funding for the protection, management, and restoration of Hawai'i's natural resources.

Hawai'i's natural environment is central to the state's identity and appeal, offering stunning landscapes and unique ecosystems enjoyed by millions of visitors. Our ecosystems sustain our way of life as residents, ensuring our freshwater supply and protecting our coastal infrastructure. Heavy visitation and escalating climate change impacts—such as wildfire, flooding, coastal erosion and coral bleaching—have taken a toll, creating urgent challenges that require immediate action and durable investment.

Resources Legacy Fund partners with communities and government to advance innovative solutions to catalyze action for conservation, equity, and climate solutions. With extensive experience supporting conservation policies and sustainable funding mechanisms, we are committed to ensuring long-term environmental stewardship for Hawai'i.

HB504 HD1 provides a much needed, dedicated and durable funding mechanism by channeling TAT revenue directly to the Department of Land and Natural Resources (DLNR). This funding will support critical conservation efforts such as restoring native forests and watersheds that supply our drinking water and reduce our wildfire risk and protecting coral reefs that feed our communities and protect us from coastal flooding.

This new funding must also be made available to community and conservation organizations that partner with government to care for Hawai'i's lands and waters. The Care for 'Aina Now coalition, which RLF participates in, urges that 25-50 percent of the funding be available through grants to community and conservation organizations.

This measure is more than an environmental safeguard—it is an investment in the safety of our communities and in Hawai'i's future. By linking tourism to stewardship, HB504 HD1 helps preserve Hawai'i's natural and cultural resources while supporting its tourism economy.

We respectfully urge the committee to approve this legislation and ensure a sustainable future for Hawai'i.

Thank you for the opportunity to testify.

Feb. 26, 2025, 10:50 a.m.  
Hawaii State Capitol  
Conference Room 308 and Videoconference

**To: House Committee on Finance**  
**Rep. Kyle T. Yamashita, Chair**  
**Rep. Jenna Takenouchi, Vice Chair**

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

RE: TESTIMONY IN OPPOSITION TO HB504 HD1 — RELATING TO ENVIRONMENTAL STEWARDSHIP

Aloha Chair Yamashita, Vice-Chair Takenouchi and other members of the committees,

The Grassroot Institute of Hawaii would like to offer its comments **in opposition** to [HB504 HD1](#), which would increase the current state transient accommodations tax rate by an undetermined amount, as well as levy a \$20 per night TAT on accommodations furnished via a membership, loyalty or rewards program in exchange for points, miles or other amount.

The use of blanks in lieu of amounts for this proposed tax hike makes it difficult to provide meaningful commentary on how HB504 might affect Hawaii's residents, economy or state revenues.

It is fundamentally unfair to the public to consider or pass blank tax bills. The people have a right to know the rates proposed in any tax bill — especially if it is likely to involve a tax increase.

Like many proposed tax increases, HB504 HD1 singles out a laudable purpose for its revenues — in this case, protecting and restoring the state's natural resources. However, in the context of a significant tax hike, a laudable purpose does not negate the damage that the bill could inflict on Hawaii businesses and the state's economy as a whole.

Support for the TAT is often based on the notion that the tax falls most heavily — or even exclusively — on tourists. However, it 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>1</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 as 70% of its revenue from tourism taxes, found that a 10% increase in tourism taxes reduces demand by 5.4%.<sup>2</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 common sense to assume that tourists will compensate for higher tourism taxes by adjusting their budgets and spending less on dining, activities or shopping.

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>3</sup>

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

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<sup>1</sup> PricewaterhouseCoopers LLP, "[The Impact of Taxes on the Competitiveness of European Tourism](#)," European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, October 2017.

<sup>2</sup> Festus Fatai Adedoyin, Neelu Seetaram and George Filis, "[The Effect of Tourism Taxation on International Arrivals to a Small, Tourism-Dependent Economy](#)," Journal of Travel Research, Vol. 62, Iss. 1, pp. 135-153.

<sup>3</sup> Haiyan Song, Neelu Seetaram and Sunh Ye, "[The effect of tourism taxation on tourists' budget allocation](#)," Journal of Destination Marketing and Management, March 2019, pp. 32-39.

This is on top of the fact that Hawaii already has some of the world's highest tourism taxes,<sup>4</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 I mentioned earlier, we should not ignore the fact that tourists are not the only ones who pay the TAT. 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, medical professionals must stay somewhere while temporarily practicing in Hawaii.

In other words, a TAT increase will have a negative effect on the health of the state's tourism industry, its economy and the cost of living in general.

Hawaii residents must already make ends meet while living in the state with the highest cost of living. This is not the time to make Hawaii a more expensive place to live and do business.

As a final thought, please remember that Hawaii's TAT started out in 1986 as a temporary tax at 5% to help fund the Hawaii Convention Center.<sup>5</sup> Its original purpose has long disappeared, but we still have the tax, and it has only continued to increase through the years. And now we are talking about maybe increasing it again — and by an unstated amount, no less!

It is this kind of tax policymaking that breeds cynicism among Hawaii voters — on two counts: first, by reinforcing the notion that there really is no such a thing as a temporary tax, and second, by leaving the proposed tax-increase rate blank.

Rejecting this bill would help restore public confidence in our lawmakers and the legislative process.

Thank you for the opportunity to testify.

Ted Kefalas  
Director of Strategic Campaigns  
Grassroot Institute of Hawaii

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<sup>4</sup> Alison Fox, "[These Cities — Including 3 in the U.S. — Have the Most Expensive Tourist Taxes in the World, Study Shows](#)," Travel + Leisure, Aug. 12, 2022.

<sup>5</sup> Tom Yamachika, "[Erasing An Error of the Past in the Transient Accommodations Tax](#)," Tax Foundation of Hawaii, Oct. 26, 1997.





# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308  
Wednesday, February 26, 2025 AT 10:50 A.M.

To The Honorable Representative Kyle T. Yamashita, Chair  
The Honorable Representative Jenna Takenouchi, Vice Chair  
Members of the Committee on Finance

## OPPOSE HB504 HD1 RELATING TO ENVIRONMENTAL STEWARDSHIP

The Maui Chamber of Commerce **OPPOSES HB504 HD1** which amends the transient accommodations tax rate; requires a \$20 transient accommodation tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program; has a placeholder to raise the TAT; and appropriates funds to DLNR for protection, management, and restoration of the State's natural resources.

Hawai'i already has a reputation for having the highest visitor taxes of any destination in the world. In addition to taxes on visitor accommodations, visitors are also subject to the general excise tax (GET), rental car fees and taxes on our roads, parking fees at state parks, and other taxes and fees assessed on activity-based businesses, all of which are passed down to the consumer. We have also seen accommodation rates increase, which is impacting visitor spending in other areas. We are hearing from activity companies, restaurants, and other businesses that they are struggling, and a higher TAT would further burden these businesses, leading to reduced spending in industries that rely on the visitor market.

While we appreciate the focus on economic development, we are deeply concerned about the impact this measure, particularly with its placeholder for a future TAT increase, will have on our visitor industry. Maui's visitor counts and spending remain low, and businesses are struggling. This proposed increase could further hinder our economic recovery, which is still below pre-pandemic levels and was severely impacted by the wildfires in August 2023.

For these reasons, we **OPPOSE HB504 HD1**.

Sincerely,

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.

**Council for Native Hawaiian Advancement  
91-1270 Kinoaiki St., Bldg. 1  
Kapolei, HI 96707**

**Hawai'i State House of Representatives**

**Committee on Finance**

HB504 – Relating to Environmental Stewardship

**RE: Support of HB504**

February 26, 2025

The Council for Native Hawaiian Advancement (CNHA) writes in **support of HB504** to dedicate additional funding towards critical environmental stewardship initiatives. The State need an estimated \$560 million each year at least to effectively care for our natural and cultural resources in Hawai'i. It makes sense to ask visitors to kōkua in caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The Hawai'i State Constitution requires the protection and enforcement of Native Hawaiian rights, including traditional and customary practices that are intrinsically dependent on our threatened natural resources. Native Hawaiian cultural values and stewardship practices already hold many of the solutions to increase climate resilience. It's important that any funding generated from visitors is distributed to solutions that are community-based and facilitate partnerships between community and agencies. This bill uplifts and supports existing community work to mālama 'āina.

Not only would this measure produce results, residents and visitors alike are incredibly supportive of the effort. Polling results found that 95% of Hawai'i voters believe that it is our kuleana to care for the ocean for future generations, and 82% support giving local communities a clear role in managing marine areas. Furthermore, 89% of those surveyed agree that we must increase our investment in our precious land, water, and animals, including our biocultural resources. Previous polling showed 88% of residents support a visitor green fee and, in January 2025, two-thirds of polled visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Residents and visitors agree: giving back to the places you visit is more than acceptable, it's necessary.

We have watched the consequences of underinvestment in our 'āina, and we cannot wait another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations. For these reasons, we humbly ask that you **PASS HB504**.

Me ka ha'aha'a,

**Madelyn McKeague**

Director of Advocacy, CNHA

**HB-504-HD-1**

Submitted on: 2/24/2025 11:25:08 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

HB504 HD1 is an example of government at its worst. Originally written to provide a dedicated source of funding for natural resource protection, it has been re-written so that it increases the TAT, but deposits those revenues into a special fund. There is a separate section allocating DLNR funding for one fiscal year, but this is now unrelated to the TAT increase, and should be dealt with separately in the same manner that funding is normally allocated to agencies. The only purpose I can see for having that funding in this bill is to make it appear that the DLNR will get the tax increase funds, which it will not.

**HB-504-HD-1**

Submitted on: 2/24/2025 3:29:28 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

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

My name is Sally Chew and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai‘i. I live on O‘ahu and work in the Wai‘anae mountains (WMWP). I work towards creating fuel breaks to prevent fires from spreading further up to native forests on our mountain tops such as Ka‘ala. This bill is critical to enhancing management practices like this to continue to protect the watershed, native forests, and ultimately the people residing here.

The people of Hawai‘i are currently grappling with the consequences of underinvesting in our ‘āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai‘i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai‘i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It’s important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs. I work with a WMWP that works in partnership with DLNR-NARS, which are lands that are 90%+ native sections of forests. The majority of our work at WMWP goes into sites that are completely 0% native forests. We work to clear areas and reintroduce native species to create a fuel break. This

work is **EXTREMELY NECESSARY** to protect the NARS area from further encroachment of invasive species.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

I urge this committee to pass an environmental stewardship fee this session.

Mahalo for your consideration to hear our plea for this measure and the opportunity to testify,

Sally Chew

**HB-504-HD-1**

Submitted on: 2/24/2025 3:31:07 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
helen raine	Individual	Support	Written Testimony Only

Comments:

**Aloha Chair, Vice Chair, and Members of the Committee,**

I am submitting written testimony in **strong support** of HB504, which proposes an increase in the transient accommodations tax (TAT) to provide dedicated funding for **environmental stewardship and the protection of Hawai'i's biocultural resources**. These natural and cultural assets are the foundation of both our local communities and the tourism industry.

For example, the 'alae 'ula has a population estimate of just 712 birds and has been lost from all islands except Kauai and Oahu, while the Koloa duck has less than 700 individuals, all on Kauai. Visitors LOVE to see these iconic birds, especially when they also experience good outreach about their rarity and importance in Hawaiian culture, but we must protect their wetland homes. Our current failure to do that is pushing the birds towards extinction.

Hawai'i is facing the harsh realities of neglecting its environment. Coral reefs are bleaching, wildfires and floods are becoming more frequent, and brown water runoff is polluting the places we cherish. The damage is not only harming our ecosystems but also threatening the tourism industry that relies on them. Studies indicate that **at least \$560 million per year** is required to properly maintain and restore Hawai'i's natural and cultural resources. Since visitors directly impact these resources, it is reasonable to ask them to contribute to their care. Utilizing the existing TAT structure provides a practical way to do so.

Investing in **conservation, restoration, and responsible management** is crucial to strengthening Hawai'i's resilience against climate-related disasters. **Healthy watersheds reduce the risk of flooding, thriving coral reefs enhance marine biodiversity and food security, and well-maintained natural spaces support both local communities and the economy**. Many nonprofit organizations and community groups have already stepped up to take on this responsibility, leading critical stewardship efforts. **It is essential that any funds generated through this measure are directed toward community-driven initiatives** that foster collaboration between local organizations and government agencies. I strongly encourage the inclusion of a **community grant program** in partnership with the Department of Land & Natural Resources to ensure these funds directly support those who are actively caring for our environment.

This initiative has received overwhelming public support for years. Previous polling found that **88% of Hawai'i residents** back a visitor green fee. A January 2025 survey further revealed that

**two-thirds of visitors** support a **\$50 visitor fee**, and **one-quarter stated they would be more likely to visit Hawai‘i** if such a program were in place. Both visitors and residents agree that giving back to the land we benefit from is not just appropriate—it is necessary.

Now is the time for action. We have witnessed firsthand the consequences of inadequate investment in our ‘āina. We cannot afford to wait for yet another wildfire, flood, or coral bleaching event without a plan in place. HB504 represents a vital step toward ensuring Hawai‘i remains **protected, thriving, and resilient**—for our communities, our economy, and future generations.

I urge this committee to **pass an environmental stewardship fee** this session.

Mahalo for your time and consideration.

**HB-504-HD-1**

Submitted on: 2/24/2025 5:36:39 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments: Please pass HB 504 HD1!



**HB-504-HD-1**

Submitted on: 2/24/2025 7:23:11 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Sam Dorios	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs, Vice Chairs, and Members of the Committees,

Sam Dorios I am submitting written testimony in strong support of HB504 (HD1), which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai‘i.

Hawai‘i’s economy is deeply reliant on tourism, and tourists primarily come to Hawai‘i in order to enjoy our spectacular natural environment. We therefore have an economic imperative to protect our ‘āina from degradation and decline. It's that simple.

The people of Hawai‘i are already grappling with the consequences of underinvesting in our ‘āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai‘i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai‘i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It’s important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. **I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship**

**needs.** This will help ensure the on the ground work is done, as well as bolster our workforce with much needed jobs for locals.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. *The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai‘i with an enacted fee.* Visitors and residents agree: giving back to the places you visit is more than acceptable, it is necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our ‘āina, and we cannot wait another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai‘i is protected, cared for, and healthy - for our communities, economy, and future generations.

**I urge this committee to pass an environmental stewardship fee this session.**

Mahalo for the opportunity to testify,

-Sam Dorios

**HB-504-HD-1**

Submitted on: 2/24/2025 7:32:14 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha mai kakou,

Please support this bill. Now more than ever it is critical that as Hawaiians we show our stance to protect this place. Not only is the beauty of Hawaii the reason we all live here, it is why visitors come to this place. Because it is special, it is different - and it is the people of this land that keep it that way, keep it sacred. That's why it is so important to share financial resources with community organizations working on the frontlines of malama aina work.

Mahalo for your time and consideration,

Ke'ili McEvelly

**HB-504-HD-1**

Submitted on: 2/24/2025 8:12:32 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
KEALA FUNG	Individual	Support	Written Testimony Only

Comments:

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

My name is Keala Fung and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i. I live in Honolulu on Oahu, the most congested place in all the islands. I've also worked in the tourism industry for 13 years and have seen firsthand and been on the frontlines of visitor impact.

The people of Hawai'i are currently grappling with the consequences of underinvesting in our 'āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It's important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary. Places like New Zealand have a \$75 visitor fee, and their island is faring MUCH BETTER than ours.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our ‘āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai‘i is protected, cared for, and healthy - for our communities, economy, and future generations.

I urge this committee to pass an environmental stewardship fee this session.

Mahalo for the opportunity to testify,

Keala Fung, Honolulu

**HB-504-HD-1**

Submitted on: 2/24/2025 8:16:02 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Hawai'i must move from tourism to eco-tourism to make sure these sacred lands do not get overrun and destroyed in the name of profit margins. The beautiful lands and ocean that draw millions of visitors every year deserve to be protected from the impacts of that tourism at the very least, and ideally, be benefiting from it. I fully support this piece of legislation

**HB-504-HD-1**

Submitted on: 2/24/2025 10:06:39 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

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

I strongly support HB504, which increases the transient accommodations tax to fund environmental stewardship and protect Hawai‘i’s biocultural resources. As a resident of [your island/area], I see the damage caused by underinvestment—coral bleaching, fires, floods, and pollution threatening both our environment and economy.

With an estimated \$560 million needed annually for resource care, it’s only logical to ask visitors to contribute through the TAT. A community grant program would ensure these funds support on-the-ground efforts led by nonprofits and local groups already doing the work.

Polling shows overwhelming support for a visitor green fee from both residents and visitors. The time to act is now—before another disaster strikes. I urge you to pass this bill to safeguard Hawai‘i for future generations.

Mahalo for your time and consideration.

**HB-504-HD-1**

Submitted on: 2/25/2025 4:40:22 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Alex Filardo	Individual	Support	Written Testimony Only

Comments:

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

My name is Alex Filardo and I am submitting written testimony in strong support of SB1396 SD1, which would help dedicate funding toward Hawai‘i’s natural and cultural resources that sustain the safety of our people, place, and economy. I have lived on Maui and O‘ahu and have seen first hand the type of abuse our ‘āina has taken. Trails get degraded, beaches erode, and parks do not get the proper care they need. While these are popular recreational areas, they also help mitigate effects of the climate crisis such as sea level rise, increased risk of fires, and flooding. We must fund ‘āina work in order to protect our island and protect our people.

The people of Hawai‘i are currently grappling with the consequences of underinvesting in our ‘āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry and economic livelihoods. What’s worse is that this consistent underinvestment is costing our state tremendous financial resources when disasters strikes, when instead we could be preventatively resourcing community-driven projects that build resilience and prevent damage when climate shocks occur. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai‘i. Enacting legislation could help fund this preventative work that can save our state millions of dollars each year, create jobs, and sustain our economic livelihoods.

The protection, management, restoration, and stewardship of Hawai‘i is a shared kuleana and requires meaningful collaboration across sectors and knowledge systems. I encourage a revenue-sharing component with community organizations that work on the frontlines of resilience, adaptation, and stewardship. Through a community grant program, this measure will empower experts across Hawai‘i to work together to implement effective resilience solutions and equitably allocate resources to leaders in the field. I support the inclusion of a community grant program to work in partnership with organizations, agencies, local governments, and Indigenous knowledge holders to meet the unique needs of Hawai‘i.



This is the year elected leaders must act to keep our communities safe. There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

We cannot wait for another fire, flood, or tragedy without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations. I am calling on lawmakers to take bold action to safeguard our home, and listen to the overwhelmingly supportive visitors and residents that have been calling for action.

Mahalo for the opportunity to testify,

Alex Filardo

**Testimony in Support of HB504 HD1  
House Committee on Finance**

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

My name is Jack Kittinger, and I am submitting written personal testimony in strong support of HB504, which aims to increase the transient accommodations tax (TAT) and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i. I have worked for years to establish and support the Care for 'Āina Now (CAN) initiative focused on increasing funding to support our environment and natural resources, which are our best defense against climate-driven tragedies like the Lāhainā wildfire.

The people of Hawai'i are currently grappling with the consequences of underinvesting in our natural resources and the protection they give our communities and economy. The science is clear: we are experiencing increased fires, floods, droughts and other climate-driven threats that harm the places we love, which also sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and HB504 offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs protect our shorelines from storms, and removal of invasive plants protect us from wildfires. In other words, caring for our islands sustains the economic livelihoods of our communities.

When it comes to this important work, nonprofit organizations and community groups are on the frontlines, and are leading the way in stewardship. It's important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. **I therefore recommend the inclusion of a community grant program as an addition to this bill, to work in partnership with the State to fulfill our stewardship needs.** For example, in my own backyard, Mālama Maunalua is doing important work to restore watersheds, reduce invasive species, and increase coral reef health – this work compliments the efforts of DLNR.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. *The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee.* Visitors and residents agree: giving back to the places you visit is more than acceptable, it is necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

**I urge this committee to pass HB504 this session.**

Mahalo nui for your courage and leadership, and for the opportunity to testify.

Jack Kittinger, PhD

**HB-504-HD-1**

Submitted on: 2/25/2025 7:45:41 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

As we can see the ocean stewardship under DAR works, we need to generate revenue in order to care for our natural resources that is always overran by non residents of hawaii and tourist. Trails needs to be improved, cared for and made safe. We don't need non-profits taking care of public beaches and parks we need the departments to take care of our public places which remains open and free to the residents of Hawai'i and most of all not be charged for parking.

**Testimony in Support of HB504 HD1**  
**House Committee on Finance**

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

My name is Maka Gibson, and I am submitting written testimony in **strong support of HB504**, which aims to increase the transient accommodations tax (TAT) and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i. I am Native Hawaiian, Japanese, and Chinese, and I was born and raised in 'Ewa Beach, but now call the beautiful windward side and Kāne'ohe home. Over the past 30 years, I have witnessed firsthand the effects of climate change, and how critical it is for our state to start taking proactive measures to protect our environment and its natural resources.

The people of Hawai'i are currently grappling with the consequences of underinvesting in our 'āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

I have traveled extensively in the United States and internationally and I have paid similar fees when I've visited countless National Parks, and other beautiful spaces that have limited resources such as the Peruvian Andes, Arusha in Tanzania, and Aoraki in New Zealand. I know that my travel impacts the environment long after I leave these places.

The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It's important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. **I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs.**

I serve as a Program Officer at Resources Legacy Fund, where I lead a new Environmental Protection Agency (EPA) program called Environmental Justice Thriving Communities Grant Program. This program could provide grants of up to \$350,000 to communities working on environmental justice, climate change, and public health issues, which could equate to \$10-12 million of projects funded around the state. That program may be paused due to the Trump Administration, but this community grant program could fill that gap.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. *The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee.* Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

**I urge this committee to pass an environmental stewardship fee this session.**

As a mother of a one-year old little girl and another baby on the way, I know how important it is for Hawai'i to start making serious investments in our 'āina and it's resources that my keiki and their keiki can not only survive but thrive.

Mahalo nui for the opportunity to testify,

Maka Gibson

Resources Legacy Fund

**HB-504-HD-1**

Submitted on: 2/25/2025 9:02:14 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha chair and committee members;

My name is Sara Dinkelo and I am a resident of Wahiawa on Oahu. I am submitting testimony in strong SUPPORT of HB504. Shortly after becoming a resident on Oahu, I soon became very aware of how much visitors do not understand about Oahu; not only the culture but also how vulnerable we are to environmental impacts. I believe that this raise in visitor taxation, given that funds are appropriated responsibly, could greatly help the sustainability of the islands for residents as well as ensure that we have a sustainable tourism industry for years to come.

I understand that this increase in taxation could be viewed negatively by tourists who visit us. However, if some portion of these funds were invested in educating tourists (i.e. required education videos aired on incoming flights) they would not only have a better appreciate for this additional tax, as well as prompt more responsible and sustainable behaviors from tourists.

I've lived on Oahu for 13 years. This is home, this is the culture I want my children to grow up in and it is one that I have grown so much as a human from. There is so much here that we need to protect; I look to you all to make responsible decisions so that residents can thrive and the tourism industry can sustain. As you all know, Hawai'i is so much more than palm trees, beaches and mai tais. There is so much to protect here for the residents. I would love to see a shift in the marketing of tourism here because there is so much for residents of the continent to learn from Hawai'i.

Thank you for considering my testimony in strong support of HB504.

-Sara Dinkelo

**HB-504-HD-1**

Submitted on: 2/25/2025 9:57:26 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Relating to environmental stewardship

Each individual contributes to the urgency for the lawmakers act. Stewardship is a powerful way to connect with the ‘āina and strengthen the meaning of aloha. It is not only on the way we interact with the land, but it is also a reflection of our relationship with other humans. How much we care about the environment showcases the value that we give to our working hands, to the strength of our communities and the importance we give to the wellbeing of future generations. It is important, it is not a minor conversation but one that needs to be addressed in our every day activities.

## Testimony in Support of HB504 HD1

### House Committee on Finance

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

**My name is Lauren Chamberlain** and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i. **I have been a resident of Hawaii for nine years, working in and with multiple conservation-based non-profit organizations. I have seen firsthand the importance of these organizations and the vital work they do to preserve our islands. I have also seen the financial strain that these organizations face. These non-profits employ from our local community and struggle to staff and adequately pay hardworking Hawai'i residents that are giving back to the island while also trying to survive and feed their families. I personally have felt the economic stress of working for an underfunded conservation non-profit but have remained in this field because of the passion I feel for caring for our land and ocean. I believe that this bill has the potential to change the landscape of funding these non-profit organizations so that they can continue the crucial work for conserving our ecosystems while also supporting the local communities that rely on these organizations for jobs.**

The people of Hawai'i are currently grappling with the consequences of underinvesting in our 'āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it



comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It's important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. **I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs.** The organizations I've had the pleasure working for do incredible work to build resiliency of our beaches and support our endangered and threatened marine protected species, including Hawaiian monk seals, sea turtles and seabirds. These are all resources that make Hawai'i unique and attract tourists to the islands. Investing in the conservation of these resources is, in turn, crucial for supporting the tourism industry in this state.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. *The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee.* Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

**I urge this committee to pass an environmental stewardship fee this session.**

Thank you and I hope you consider the ways that the local community will benefit from this bill.

Mahalo for the opportunity to testify,

**Lauren Chamberlain**

**HB-504-HD-1**

Submitted on: 2/25/2025 10:20:17 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha Chair Yamashita and Members of the Finance Committee

My name is Hideki Kimukai and I **strongly support HB504.**

It is necessary to bring the stewardship back to the islands of Hawai'i.

Mahalo nui,

Hideki Kimukai

**HB-504-HD-1**

Submitted on: 2/25/2025 11:45:40 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aaron Magee	Individual	Support	In Person

Comments:

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

My name is Aaron Magee and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai‘i. Born and raised on the southeast side of Oahu I grew up snorkeling, hiking, and going to the beach. Seeing my favorite beaches and parks grow in popularity with minimal increase in preservation efforts has lead to the consistent decline of their beauty. We must imlement a solution to maintain and improve the areas that make Hawaii beautiful, both for residents and to continue offering beautiful destinations for people from around the world to connect with Hawaii's environment.

The people of Hawai‘i are currently grappling with the consequences of underinvesting in our ‘āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai‘i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai‘i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It’s important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies. I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs. I serve as the Executive Director of Global Preservation Initiative (GPI), a local nonprofit preserving shared human and environmnetal health, a mission born out of the visible presence of plastic pollution

and decline in ecosystem health. Our work supports the delivery of high quality environmental education and volunteer restoration events to thousands of students and community volunteers every year. Organizations like GPI and others that work daily to connect hawaii's residents to nature, need support the work that builds community across our islands.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

I urge this committee to pass an environmental stewardship fee this session.

Mahalo for the opportunity to testify,

Aaron Magee

**HB-504-HD-1**

Submitted on: 2/25/2025 12:15:42 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha Chair and Members of the Committee,

My name is Marissa, and I am a resident of Oahu. I strongly support HB504, which allocates additional funding for the protection and restoration of Hawaii's natural resources.

Hawaii's environment is not just our home—it is the foundation of our way of life. As tourism continues to impact our islands, we must ensure that visitors contribute to the preservation of the land and waters they enjoy. By increasing the transient accommodations tax and dedicating funds to the Department of Land and Natural Resources, this bill provides necessary resources to safeguard our forests, reefs, and freshwater systems for future generations.

I urge you to pass HB504 to help protect and sustain Hawaii's natural beauty.

Mahalo for your time and consideration.

Sincerely,  
Marissa

**HB-504-HD-1**

Submitted on: 2/25/2025 12:57:24 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha Chair Yamashita and members of the Finance Committee,

I am in strong support of HB 504 HD 1 and urge the Committee to pass this measure. With a new Administration in Washington DC slashing federal funding for climate resilience programs, now more than ever local and state government must step up to provide funding that will protect property and life against current and future climate impacts. Multiple studies show that for every \$1 invested in climate resilience, communities will save \$6 or more in future payment and damages. Please protect our economic future by investing in a dedicated funding mechanism that will help address these impacts and continue to make Hawai'i resilient into the future not only for our children but for us as a current population. Mahalo nui!

**HB-504-HD-1**

Submitted on: 2/25/2025 12:59:28 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Trina Lake	Individual	Support	Written Testimony Only

Comments:

**House Finance Committee (FIN)**

**HB504**

**Wednesday, February 26, 2025**

**10:50 am**

**In House Conference Rm #308 and Via VIDEOCONFERENCE**

**IN SUPPORT OF HB504**

**House Bill 504 amends the transient accommodations tax rate and requires a \$20 transient accommodation tax to be levied per night for each furnishing of transient accommodations in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program. This bill appropriates funds to DLNR for protection, management, and restoration of the State's natural resources. As a native Hawaiian who was taught ancestral sustainability practices, I support this measure.**

**While I do understand that tourism contributes greatly to our economy, I have also seen far too many landscapes being disrupted by the many visitors who come here having no concept of "Malama 'Aina". I believe that taxing sources of environmental pollution and greenhouse gas emissions is an effective way to combat climate change, biodiversity loss and pollution. You cannot put a price on our natural environment. This is not the time to deny funds or be "chincy" with regards to measures that will protect and maintain our environment.**

**As a full time student at the University of Hawaii Mānoa, part of my curriculum requires me to engage with our community. I've had the privilege of working with many native Hawaiian programs and organizations that promote ancestral sustainability practices from maintaining the mala at Maku'u Farms of Puna, and working the loko i'a of Keaukaha with Hui Ho'oleimaluō. I have learned the importance of being committed to ensuring the long-term health of our natural environment and of our biocultural resources. With DLNR having the authority and responsibility of protecting and maintaining our natural environment, I am in support of HB.**

**Thank you for your time and consideration.**

**Trina Lake**

**[trina8@hawaii.edu](mailto:trina8@hawaii.edu)**



**HB-504-HD-1**

Submitted on: 2/25/2025 1:04:14 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Thank you. It's important for us to use all avenues to fund ourselves at the State level, and this is a good choice.

Kim

**HB-504-HD-1**

Submitted on: 2/25/2025 1:33:38 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Tamara Luthy	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of Bill to Amend the Transient Accommodation Tax Rate and Appropriation for Environmental Protection

Chairperson, Vice Chairperson, and Honorable Members of the Committee,

I am writing in strong support of the bill to amend the transient accommodations tax rate beginning on January 1, 2027, and to appropriate funds to the Department of Land and Natural Resources (DLNR) for the protection, management, and restoration of the State’s natural resources. This proposed tax levy on accommodations provided through rewards programs presents a crucial opportunity to enhance our state’s ability to safeguard the invaluable environmental assets that define Hawaii.

Supporting Environmental Resources through Tourism Revenue

As we know, Hawaii’s unique and pristine environment is one of the primary draws for visitors to our islands. However, it is essential that the economic benefits of tourism are reinvested into the very resources that make this industry thrive. The introduction of a \$20 per night transient accommodation tax for bookings through loyalty programs provides a sustainable and dedicated funding stream to address the pressing need for conservation efforts across our state.

Such a tax is a proven model in other regions that have successfully leveraged tourism revenue to protect natural resources. A prime example is the Florida Keys. There, a portion of the transient accommodation tax directly funds the management of their marine protected areas, including the coral reefs. This model has allowed the Florida Keys to successfully support coral restoration programs, manage wildlife sanctuaries, and promote sustainable tourism practices—all while ensuring that local communities benefit economically. Similar success stories can be found in other parts of the world, such as New Zealand’s tourism contribution to the conservation of its national parks, which has helped fund crucial ecological restoration and habitat protection programs.

A Sustainable Path Forward for Hawaii’s Natural Resources

By earmarking funds for DLNR to manage Hawaii’s natural resources, this bill would help ensure that Hawaii’s extraordinary natural beauty—our forests, beaches, coral reefs, and wildlife—is preserved for future generations. Tourism must be part of the solution, and this tax

serves as a fair and effective way for the visitors who enjoy our state's resources to help contribute to their preservation.

Importantly, the success of this policy depends on careful and effective management. By supporting environmental conservation through funds raised from this tax, Hawaii can bolster its initiatives in natural resource management, including the protection of endangered species, the restoration of critical ecosystems, and the enhancement of visitor education on sustainable practices. The success of similar programs worldwide demonstrates that this approach can create a powerful, positive feedback loop—where tourism dollars fund the environmental programs that sustain the tourism industry itself.

### Conclusion

In closing, I urge you to support this bill as a forward-thinking approach that ensures the long-term preservation of Hawaii's natural resources while continuing to provide economic benefits to the state. By following in the footsteps of other successful programs worldwide, Hawaii has the opportunity to lead the way in sustainable tourism practices that benefit both the environment and the economy.

Thank you for the opportunity to testify in support of this important measure.

Sincerely,

Dr. Tamara Luthy

**HB-504-HD-1**

Submitted on: 2/25/2025 1:38:23 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

We must do what we can to sustain Hawai'i's beauty. We must act decisively to pave the way for our children and their children so that they can focus their efforts on building rather than cleaning up what could have been prevented. When tourists come to Hawai'i, they are coming to see what they have heard or seen about the beauty of 'āina and the culture. What will we have to show if our resources and residents are depleted? How will this affect us all in the coming years? I believe that it is reasonable to ask visitors to pay a small fee that helps preserve what it is they are coming to see. This is reciprocity, and without reciprocity from tourists, the cost will come out of Hawai'i's pocket. Please, help to alleviate the pressure for locals. Help give us all peace of mind that tourism can do some good for Hawai'i. This will ensure greater harmony between locals, tourists, businesses, and environmental organizations alike.

**HB-504-HD-1**

Submitted on: 2/25/2025 9:07:08 PM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha,

I am writing in SUPPORT of HB 504. Now more than ever, we are in need of funding for our natural resources, and recent developments has proven that diversifying these sources should be our priority to ensure longevity of environmental programs and services in Hawai'i. Mahalo nui loa for your consideration of this bill, which is an opportune moment for our state to make a monumental investment and garner momentum for environmental stewardship.

**HB-504-HD-1**

Submitted on: 2/26/2025 7:07:09 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

Aloha Chair, Vice Chair, and members of the committee,

I am submitting written testimony in strong support of HB504.

As a contracted educator with a local non-profit, I am in the classroom and out on the beach, teaching Oahu students about the problems of plastic pollution affecting Oahu lands, beaches, and oceans. I can see the how an increase in the transient accommodations tax and dedicating additional funds towards environmental stewardship will assist in sustaining the environment.

I urge this committee to pass an environmental stewardship fee this session.

Mahalo and kind regards,

Amanda Hagen

**HB-504-HD-1**

Submitted on: 2/26/2025 8:11:07 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

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

My name is Breanne Fong, and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai‘i. I am from Niu in the moku of Kona on O‘ahu and also grew up in Kaimukī. This bill is important to me because of my connection to ‘āina and everyone's relationship to ‘āina and how crucial it is to nurture this pilina for our well-being whether that be through food, air quality, or engaging in cultural practices to uplift the community and honor our ancestors.

The people of Hawai‘i are currently grappling with the consequences of underinvesting in our ‘āina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It is estimated that we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai‘i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai‘i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It’s important that any funding generated from visitors is distributed to solutions that are community-based and facilitate partnerships between community and agencies. I recommend the inclusion of a community grant program to work in partnership with the Department of Land & Natural Resources to fulfill our stewardship needs. There are countless mālama ‘āina non-profits like that are making significant impacts on the ‘āina and community and deserve whatever resources and funding needed to continue their critical work in stewarding the ‘āina for current and future generations.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai‘i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it’s necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

Mahalo nui for your time and consideration, and I urge this committee to pass an environmental stewardship fee this session.

Mahalo for the opportunity to testify,

Breanne Fong



**HB-504-HD-1**

Submitted on: 2/26/2025 9:15:59 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

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

My name is Charlotte Frank and I am submitting written testimony in strong support of HB504, which aims to increase the transient accommodations tax and dedicate the additional funding towards environmental stewardship, and the care of our biocultural resources that sustain Hawai'i. I have seen firsthand the impact visitors have on this beautiful place -- particularly when it comes to degradation and pollution. I work for a small non profit dedicated to marine debris cleanups and we are constantly seeking funding mechanisms to protect our 'aina and oceans, which face consistent degradation. The level of pollution is only increasing and it's impact on our oceans is astounding. We need to protect these spaces.

The people of Hawai'i are currently grappling with the consequences of underinvesting in our 'aina. We see coral bleaching, fires, floods, and brown water pollution harming the places we love and the places that sustain our visitor industry. It is estimated we need at least \$560 million each year to effectively care for our natural and cultural resources in Hawai'i. It is logical to ask visitors to help contribute to caring for the environment they enjoy during their stay, and the TAT offers an existing program to do so.

The protection, management, restoration, and stewardship of Hawai'i's natural resources is an essential piece toward gaining resilience as an island to climate disasters. Healthier watersheds are less likely to flood, restored coral reefs contribute to food security, and caring for our islands sustains the economic livelihoods of our communities. But when it comes to this important work, nonprofit organizations and community groups have already undertaken this kuleana and are leading the way in stewardship. It's important that any funding generated from visitors is distributed to solutions that are community based and facilitate partnerships between community and agencies.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. The results show that two-thirds of visitors support a \$50 visitor fee, and a quarter of them are more likely to visit Hawai'i with an enacted fee. Visitors and residents agree: giving back to the places you visit is more than acceptable, it's necessary.

This is the year elected leaders must act to keep our communities safe. We have watched the consequences of underinvestment in our 'āina, and we cannot wait for another fire, flood, or

bleaching season without a solution. This measure is a critical step toward a future where Hawai'i is protected, cared for, and healthy - for our communities, economy, and future generations.

I urge this committee to pass an environmental stewardship fee this session.

**E pono!**

Mahalo for your consideration,

Charlotte Frank

**HB-504-HD-1**

Submitted on: 2/26/2025 10:39:30 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

I support amendmendments to the transient accommodations tax rate which will appropriate funds to DLNR for protection, management, and restoration of the State's natural resources.

**HB-504-HD-1**

Submitted on: 2/26/2025 10:52:57 AM

Testimony for FIN on 2/26/2025 10:50:00 AM

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

Comments:

I support appropriation of funds from the TAT to DLNR for protection, management, and restoration of the State's natural resources.