



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

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Director, OPSD

Commissioners:
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Chair, Senate WTL
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Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM

**Testimony of
LEAH LARAMEE
Climate Change Coordinator on behalf of
Climate Change Mitigation and Adaptation Commission Co-Chair Mary Alice Evans and
Co-Chair Dawn N.S. Chang**

**Before the House Committees on
TOURISM
and
WATER AND LAND**

**Thursday, February 12, 2025
9:00 AM
State Capitol, Conference Room 423 & Videoconference**

**In consideration of
HOUSE BILL 504
RELATING TO ENVIRONMENTAL STEWARDSHIP**

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. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request.**

The Commission consists of a multi-jurisdictional effort between 20 different departments, committees, and counties to protect the lives and livelihoods of the people of Hawai'i through accelerate climate action. This bill provides a sustainable funding mechanism to support climate actions across the state to mitigate and recover from the life-threatening impacts of climate change. Climate actions have been severely underfunded with expected costs rising each year of inaction.

The devastating fires of Lahaina, a singular event exacerbated by climate change, is expected to cost over \$12 billion dollars. Skyrocketing insurance premiums and mass exodus from insurance agents in vulnerable areas are a clear indication that we can no longer ignore the costly impacts

of climate. A 2024 study shows that every \$1 spent on climate resilience and preparedness saves communities \$13 in damages, cleanup costs and economic impact.ⁱ An investment into climate mitigation and resilience is an investment into our people, economy and future.

The Commission’s “Grants to Projects Bridge” has identified unfunded climate projects totaling nearly \$1 billion annually. These projects were identified as needs by state agencies, included in state and county plans, and submitted by community members ready to implement climate resilience in their communities. The establishment and funding of this fund is an important strategy to close the gap between existing and needed funding for climate disaster preparation and recovery. This program would bolster the State’s existing investments in climate readiness.

Regarding testimony voicing concerns over increases to the TAT leading to declining visitor numbers, the Department of Business, Economic Development and Tourism November 2024 marked the fourth-consecutive month with year-over-year growth in both visitor arrivals and expenditures.ⁱⁱ Tourism has the biggest impacts on our environment, is the biggest contributor to climate change in the state and it is time to prioritize residents’ needs. Promises to design our tourism industry around quality of life for residents after covid have not been met while much work still needs to be done to create a sustainable tourism economy the contribution of the TAT review can help to contribute to actions to making Hawai’i safer in the face of climate change.

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

ⁱ <https://www.uschamber.com/security/the-preparedness-payoff-the-economic-benefits-of-investing-in-climate-resilience>

ⁱⁱ [Department of Business, Economic Development & Tourism | Visitor Industry Recorded Fourth Consecutive Year-over-Year Growth in November 2024](#)

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, Relating to Environmental Stewardship.

BEFORE THE:

House Committees on Tourism and Water & Land

DATE: Thursday, February 13, 2025
TIME: 9:00 a.m.
LOCATION: State Capitol, Room 423

Chairs Tam and Hashem, Vice-Chairs Templo and Lamosao, and Members of the Committees:

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

H.B. 504 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 July 1, 2025 and amends the TAT rate on resort time share vacation units to an unspecified amount beginning on January 1, 2026. 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, introducing a supplemental tax of \$20 per night for transient accommodations booked using points, miles, or other membership, loyalty, or rewards programs.

H.B. 504 is set to take effect on July 1, 2025.

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.

Thus, DOTAX requests that the new TAT rate and \$20 surcharge become effective on January 1, 2027. This will allow DOTAX more time for training and the necessary form, instruction, and system changes to implement the increased TAT rate and the \$20 surcharge.

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

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

P.O. BOX 621
HONOLULU, HAWAII 96809

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

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committees on
TOURISM
and
WATER & LAND

Thursday, February 13, 2025
9:00AM

State Capitol, Conference Room 423, and Via Videoconference

In consideration of
House Bill 504
RELATING TO ENVIRONMENTAL STEWARDSHIP

House Bill 504 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, 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 and 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, 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](#)^[1], highlighting ongoing and potential environmental stewardship initiatives across the state.

Mahalo for the opportunity to testify on this measure.

^[1] See <https://arcg.is/0GOfL10>



TESTIMONY OF
DANIEL NĀHO'OPI'I
Interim President & CEO
Hawai'i Tourism Authority
before the
HOUSE COMMITTEES ON TOURISM
AND
WATER & LAND

Thursday, February 13, 2025
9:00 a.m.
State Capitol, Room 423

In consideration of
HB 504
RELATING TO ENVIRONMENTAL STEWARDSHIP

Aloha Chairs Tam and Hashem, Vice Chairs Templo and Lamosao, and Members of the Committees,

The Hawai'i Tourism Authority (HTA) offers comments on HB 504, which amends the transient accommodations tax (TAT) rate 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.

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.



February 10, 2025

Representative Adrian Tam, Chair
Committee on Tourism
Representative Hashem, Chair
Committee on Water and Land
House of Representatives
Hawaii State Legislature

Opposition to HB 504

Dear Chair Tam, Chair Hashem and Members of the Committee on Tourism and Committee on Water and Land,

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

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. They 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 budget line item for Hawaii County TAT 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 does not take into account the significant impact of visitors staying in other types of accommodations.

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 that as a justification to take their business to other destinations like Florida and Mexico.

Before the Legislature moves forward with any increases that could negatively impact the economic driver of our state, it needs to make sure that all state agencies charged with collecting taxes and visitor fees are doing so to their full capacity.

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. 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.

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
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Testimony Before The
House Committee on Tourism (TOU)
House Committee on Water and Land (WAL)

IN SUPPORT OF HB504

February 13, 2025, 9:00 a.m., Room 423 & 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 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 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.

Aloha 'Āina Momona no nā kau ā kau.

HB-504

Submitted on: 2/11/2025 9:29:23 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Doug Harper	Malama Maunalua	Support	Written Testimony Only

Comments:

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

On behalf of Malama Maunalua, I am submitting written testimony in 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.

Unfortunately, our 'aina is in peril. Decades of poorly informed decisions has led to severe negative impacts on our environment. We operated often with the information we had, which we now see was flawed, or we prioritized other factors than environmental sustainability. That led to increases in invasive species, native species becoming extinct, water quality degrading, and critical habitat disappearing. To save what we have left, we have to act now, not the least of which because climate change will make everything more severe. At a time when we have to be working double time restore our 'aina, we have seen federal funds disappear. That is a gap of tens, if not hundreds of millions of dollars that will need to be filled. It is essential that the State step up to avoid not just a stalling of restoration, but a back-sliding.

This is not only important because of the impact of ecosystems, but because of the impact those ecosystems have on the humans who live and visit here. NOAA has estimated the value of Hawaii's coral reefs at \$863B. Flood protection, heat protection, food security, tourism, economic output, and mental health are all dependent on a healthy environment. Allowing them to continue to degrade without providing more resources to restore them means all those services degrade as well.

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 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.

Doug Harper
Executive Director
Malama Mainalua



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

Position: Support

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 health 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 conducted in December 2024 showed a \$560 million annual funding gap in our current stewardship investment. We must work together to close that gap.

Hawai'i's natural resources are invaluable to the livelihoods of our local residents and integral drivers of our visitor industry. This week, our coalition released polling results from January 2025 that asked visitors how they view a stewardship fee. **The results 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.** Visitors and residents agree: giving back to the places you visit is necessary, especially in a fragile ecosystem like Hawai'i.

While we support HB504, we recommend the inclusion of two important components that will make the visitor fee 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.

We face an opportunity now to chart a new course that prioritizes the 'āina that sustains our home. The more time that passes without dedicating resources to our environment, the more lives, places, and communities are at risk of being harmed. This investment is a crucial piece of building safety and resilience against climate disasters, saving costs in the long-run.

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. Hawai'i Alliance for Community-Based Economic Development (HACBED)
20. Hawai'i Alliance for Progressive Action (HAPA)
21. Hawai'i Environmental Change Agents
22. Hawai'i Green Growth
23. Hawai'i Impact Collaborative
24. Hawai'i Land Trust
25. Hawai'i Reef and Ocean Coalition
26. Hawai'i Wildlife Fund
27. Hawai'i Youth Climate Coalition
28. Kailua Beach Adventures
29. Kauai Climate Action Coalition
30. Kauai Farm Planning
31. Kanu Hawai'i
32. Kingdom Pathways
33. Kua'āina Ulu 'Auamo (KUA)
34. Kuleana Coral Restoration
35. Kupu
36. Leftover Love Co
37. Mālama Learning Center
38. Mālama Maunaloa
39. Mālama Pupukea-Waimea



40. Maui Ocean Center
41. Maui Ocean Center Marine Institute
42. National Tropical Botanical Garden
43. Native Ecosystem Services
44. The Nature Conservancy
45. North Shore Community Land Trust
46. Papahānaumokuākea Marine Debris Project
47. Parley for the Oceans
48. Pono Hawai'i Initiative
49. Protea Zero Waste Store
50. Resources Legacy Fund
51. Reuse Hawai'i
52. Surfrider Foundation Hawai'i Chapters
53. Sustainable Coastlines Hawai'i
54. Travel2Change
55. Trust for Public Land
56. Waipā Foundation
57. Wakeful State
58. Wastewater Alternatives & Innovations (WAI)
59. Wild Kids
60. Young Progressives Demanding Action
61. Zero Waste Hawai'i Island

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

HB-504

Submitted on: 2/11/2025 1:57:31 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Blake McNaughton	Makahaloa Fishing Association	Support	Written Testimony Only

Comments:

Aloha Kākou,

I writing to express support of HB504. As president of Makahaloa Fishing Association, I am continually witnessing the degradation of our shorelines by tourists that either do not know or do not care about the health of our natural and cultural resources. Our shorelines are critical to the survival of Hawai‘i and it’s people. Makahaloa Fishing Association represents over 140 ‘ohana from Hilo Palikū on the Island of Hawai‘i. Our members feed their ‘ohana from the streams, oceans, and forests of North Hilo but this relationship is being threatened by a variety of major issues including a lack of dedicated State funding to continued community stewardship. To that end our Association has been fighting to protect our rural way of life in the face of rising seas, over tourism, and restricted access. These funds could be put to good use by DLNR through a community stewardship grants process. THE TIME IS NOW for this fee. Please vote to support this bill.

Mahalo for considering this testimony

Blake McNaughton

Makahaloa Fishing Association



RESOURCES LEGACY FUND®
CREATIVE SOLUTIONS. LASTING RESULTS.

DATE: February 13, 2025

Re: Strong Support for HB 504 Relating to Environmental Stewardship

Aloha Chairs Tam & Hashem, Vice Chairs Templo & Lamosao, and esteemed committee members,

On behalf of Resources Legacy Fund, I am writing to express our strong support for HB 504. This bill increases and amends the transient accommodations tax (TAT), introducing a \$20 per night fee for accommodations obtained through rewards programs, 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.

HB 504 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, HB 504 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.



HAWAI'I LAND TRUST

House Committee on Tourism
House Committee on Water & Land

Date: February 13, 2025

Time: 9:00 am

Place: CR 423 & via videoconference

Re: SUPPORT – HB504, Relating to Environmental Stewardship

Aloha e Luna Ho'omalua Tam, Luna Ho'omalua Hashem, Hope Luna Ho'omalua Templo, Hope Luna Ho'omalua Lamosao a me nā Lālā o nā Kōmike:

Hawai'i Land Trust **SUPPORTS** HB504, which proposes an increase in the Transient Accommodations Tax (TAT) to generate dedicated funding for environmental stewardship through the Department of Land and Natural Resources (DLNR).

As an organization dedicated to protecting and stewarding Hawai'i's natural and cultural landscapes, we believe this measure is essential for ensuring responsible land use practices that balance tourism with conservation. Hawai'i's natural resources face serious and growing threats from climate change, visitor impacts, invasive species, and other pressures that are compounded by significant underfunding for land stewardship. HB 504 would provide critical resources to protect native forests, restore coastal lands, preserve aquatic resources, and strengthen resilience against climate-related disasters such as wildfires and floods.

By directing additional revenue toward resource conservation, this measure supports long-term sustainability and resilience. Protecting these places is not just an environmental necessity—it is vital to Hawai'i's cultural heritage, food security, and the well-being of future generations.

'I ola ka 'āina, i ola kākou nei. Healthy lands support thriving communities. HB 504 provides a pathway for ensuring that Hawai'i's natural and cultural resources remain protected for generations to come.

Mahalo for this opportunity to testify,

'Olu Campbell

President and Chief Executive Officer

Hawai'i Ocean Legislative Task Force



February 13, 2025

Hawai'i State Legislature
House Committee on Tourism
House Committee on Water & Land

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

Aloha Chairs Tam & Hashem, Vice Chairs Templo & Lamosao, and Members of the Committees,

The Ocean Legislative Task Force, a coalition of over 100 individuals and organizations committed to protecting Hawai'i's marine ecosystems, supports HB504, 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 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 restoring and maintaining the stability of Hawai'i's forested watersheds that provide water supply and reduce wildfire risk, and for protecting and restoring our coral reefs that feed communities and protect us from coastal storms and flooding.

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 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.



Care for 'Āina Now Coalition

February 13, 2025

House Committee on Tourism
Rep. Adrian Tam, Chair, and
Members of the Committee

House Committee on Water & Land
Rep. Mark Hashem, Chair, and
Members of the Committee

Re: The Imperative of Allocating Adequate Funding to Protect Natural Resources
Support HB 504, Relating to Environmental Stewardship

Aloha kākou,

On behalf of our coalition's leadership committee, we are writing in strong support of HB 504 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 HB 504.

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

INTRODUCED BY: ICHIYAMA

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).

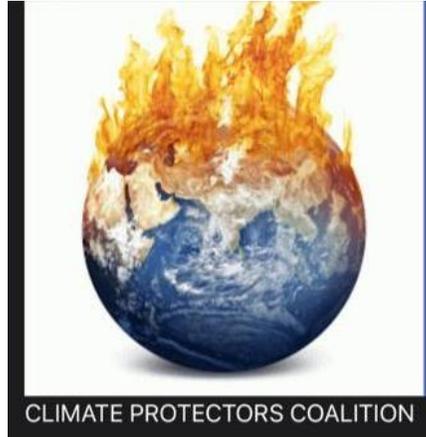
Adds a tax of \$20 per night on each furnishing of a transient accommodation in exchange for points, miles, or other amounts provided through a membership, loyalty, or rewards program.

EFFECTIVE DATE: July 1, 2025.

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: 2/11/2025



To: The Honorable Chairs Adrian Tam and Mark Hashem, the Honorable Vice Chairs Shirley Ann Templo and Rachele Lamosao, and Members of the Committees on Tourism and Water and Land.

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

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

Hearing: Thursday February 13, 2025, 9:00 a.m., room 423

Aloha Chairs Tam and Hashem, Vice Chairs Templo and Lamosao, and Members of the Committees on Tourism and Water and Land!

The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i STRONGLY SUPPORT HB504!

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.

The Climate Protectors Hawai'i seek 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 measures to reduce climate warming and its impacts.

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 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 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. 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 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 pass this environmental stewardship fee to help care for Hawaii's environment!

Mahalo!

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



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

House Committee on Tourism
House Committee on Water and Land

Hearing Date: February 13, 2025 at 9:00 am
Conference Room 423 & Via Videoconference

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

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, 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, 



February 12, 2025

TOU-WTL HEARING: February 13, 2025, 9:00 AM

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

Aloha TOU Chair Tam, Vice Chair Templo, and Members,

Aloha WTL Chair Hashem, Vice Chair Lamosao, 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** 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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Educational Programs &
Makai Watch Coordinator

Federal Nonprofit Organization
501(c)(3) FEIN 27-0855937
www.pupukeawaimea.org
info@pupukeawaimea.org

**Testimony in Support of HB504
House Committee on Tourism
House Committee on Water and Land**

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

My name is Emily Emmons 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. As Executive Director of Ho`ola Veteran Services dba Ho`ōla Farms, we support local farmers and producers by providing hands-on agricultural training, access to essential resources, and market opportunities through our online farmers market and food hub. By equipping veterans, military families, and beginning farmers with the knowledge and tools to cultivate high-quality, locally grown produce, we help strengthen Hawai'i's food system and ensure fresh, island-grown ingredients are available to restaurants, resorts, and other hospitality businesses. Our work not only enhances the visitor experience by promoting authentic, farm-to-table dining but also fosters economic resilience and environmental sustainability within our local communities.

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.

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 provide testimony in strong support of HB504. This measure is critical to ensuring that the natural and cultural resources that make Hawai'i unique are protected for both residents and visitors alike. By increasing the transient accommodations tax and dedicating additional funding to environmental stewardship, we can take meaningful steps toward preserving our fragile ecosystems, strengthening our local food system, and supporting the farmers and producers who contribute to a thriving tourism industry. I urge you to pass HB504 to safeguard the long-term sustainability of Hawai'i's natural and agricultural resources for generations to come.

Mahalo for the opportunity to testify,

Emily Emmons

Emily Emmons
Executive Director
Ho`ōla Farms

Feb. 13, 2025, 9 a.m.
Hawaii State Capitol
Conference Room 423 and Videoconference

To: House Committee on Tourism
Rep. Adrian K. Tam, Chair
Rep. Shirley Ann Templo, Vice Chair

House Committee on Water & Land
Rep. Mark J. Hashem, Chair
Rep. Rachele F. Lamasao, Vice Chair

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

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

Aloha Chairs, Vice-Chairs and other members of the committees,

The Grassroot Institute of Hawaii would like to offer its comments **in opposition** to [HB504](#), 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 revenues from the tax increase would be dedicated to protecting and restoring the state's natural resources.

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 singles out a laudable purpose for its revenues. 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.¹ 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%.²

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.³

¹ 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.

² 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.

³ 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.

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.

This is on top of the fact that Hawaii already has some of the world's highest tourism taxes,⁴ 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.⁵ 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.

It is this kind of tax policymaking that breeds cynicism among Hawaii voters regarding the notion that there is really such a thing as a temporary tax — as you have heard in your discussions concerning other taxes, such as the general excise tax surcharge. Increasing the rate for this formerly so-called temporary tax will only exacerbate that cynicism.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

⁴ 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.

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

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

**Hawai'i State House of Representatives
Committees on Tourism & Water and Land
HB504 – Relating to Environmental Stewardship**

RE: Support of HB504

February 13, 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



House Committee on Tourism
House Committee on Water & Land
Date: February 13, 2025
Time: 9:00 am
Place: CR 423 & via videoconference

Re: SUPPORT – HB504, Relating to Environmental Stewardship

Aloha e Chair Tam, Chair Hashem, Vice Chair Templo, Vice Chair Lamosao and committee members:

Hawai'i Land Trust **SUPPORTS** HB504, which proposes an increase in the Transient Accommodations Tax (TAT) to generate dedicated funding for environmental stewardship through the Department of Land and Natural Resources (DLNR).

As an organization dedicated to protecting and stewarding Hawai'i's natural and cultural landscapes, we believe this measure is essential for ensuring responsible land use practices that balance tourism with conservation. Hawai'i's natural resources face serious and growing threats from climate change, visitor impacts, invasive species, and other pressures that are compounded by significant underfunding for land stewardship. HB 504 would provide critical resources to protect native forests, restore coastal lands, preserve aquatic resources, and strengthen resilience against climate-related disasters such as wildfires and floods.

By directing additional revenue toward resource conservation, this measure supports long-term sustainability and resilience. Protecting these places is not just an environmental necessity—it is vital to Hawai'i's cultural heritage, food security, and the well-being of future generations. *'I ola ka 'āina, i ola kākou nei*. Healthy lands support thriving communities. HB 504 provides a pathway for ensuring that Hawai'i's natural and cultural resources remain protected for generations to come.

Mahalo for this opportunity to testify,



Angela M. Britten, CFRE

Chief Operations & Philanthropy Officer

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The Nature Conservancy, Hawai'i and Palmyra
923 Nu'uuanu Avenue
Honolulu, HI 96817

Tel (808) 537-4508
Fax (808) 545-2019
nature.org/HawaiiPalmyra

**Testimony of The Nature Conservancy
Supporting HB 504, Relating to Environmental Stewardship
Committee on Tourism
Committee on Water and Land
February 13, 2025, 9:00 am
Conference Room 423 and via Videoconference**

Aloha Chairs Tam and Hashem, Vice Chairs Templo and Lamosao, and Members of the Committees:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports HB 504, 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 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 makes the long-term, sustained investment we so desperately need. We urge the Committees to support this important measure.

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

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.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE HOUSE COMMITTEES ON TOURISM and WATER & LAND
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 423
Thursday, February 13, 2025 AT 9:00 A.M.**

To The Honorable Adrian K. Tam, Chair
The Honorable Shirley Ann Templo, Vice Chair
Members of the Committee on Tourism
To The Honorable Mark J. Hashem, Chair
The Honorable Rachele F. Lamosao, Vice Chair
Members of the Committee on Water & Land

OPPOSE HB504 RELATING TO ENVIRONMENTAL STEWARDSHIP

The Maui Chamber of Commerce **OPPOSES HB504** 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 place holder 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 higher visitor taxes than other destinations. 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. A higher TAT would further reduce spending in industries that rely on the visitor market.

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**.

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.

LATE

HB-504

Submitted on: 2/12/2025 7:20:08 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alisha Chauhan	Care For ‘Aina Now	Support	Written Testimony Only

Comments:

Testimony in Support of HB504

House Committee on Tourism

House Committee on Water and Land

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

My name is Alisha Chauhan 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 Maui and this issue is important as the Hawaiian islands need a sustainable source of funding to support environmental stewardship and restoration initiatives in this climate.

Shifting the responsibility party towards tourists allows not only for a mindset shift of respecting the land, waters and wildlife, but also realizing the inherent responsibility of humanity to care for ‘aina.

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 represent non profit groups and see their struggle to attain funding for what is necessary restoration work to sustain the island ecosystems.

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 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 please consider the urgency and importance of passing a measure for an environmental stewardship fee to bring Hawai'i to a better standard of care for 'aina.

Mahalo for the opportunity to testify,

Alisha Chauhan

Testimony of Sustainable Coastlines Hawai'i

2/11/2025

Bill: **HB504**

Committee: House TOU/WAL

Position: **Support**

Hearing Date: 2/13/25 9:00 AM

LATE

Aloha Chairs Tam & Hashem and Members of the Committees,

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. 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

HB-504

Submitted on: 2/12/2025 9:53:54 PM
Testimony for TOU on 2/13/2025 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Kawika Riley	Kupu	Support	Written Testimony Only

Comments:

Aloha Chairs Tam and Hashem, Vice Chairs Templo and Lamosao, and Honorable Members of the Committees on Tourism and Water and Land,

Mahalo nui for the opportunity to testify in strong support of HB 504, Relating to Environmental Stewardship.

Kupu is a statewide nonprofit founded and headquartered in Hawai‘i, providing youth and young adults with opportunities to learn, serve, and work in ways that restore environments and communities. As a statewide nonprofit, focused on providing youth with opportunities to see their love for the environment as the foundation of a career and calling, it gives us hope to see legislation like HB 504 progress through the state legislature.

If enacted, this legislation could increase funding for DLNR, our state's largest landowner, and the manager of some of the most important and sensitive lands and waters in Hawai‘i. These funds are needed to enable the work needed to keep Hawai‘i's public lands healthy; a task increasingly difficult as the climate changes and visitors to our islands, however well-intended, make more complex the management of state trails, fresh waters, forests, and shorelines.

Recently released public polling has shown us that most past and likely visitors to Hawai‘i would not be deterred by requirements to contribute financially to Hawai‘i's environment as part of their visit, and that one in four may be more (not less) likely to visit if such a requirement was in place. We see this as an opportunity to welcome the kinds of visitors who see Hawai‘i as a place worth caring for, and who want to be part of the solutions we need.

The ‘ōlelo no‘eau, "Ho‘okahi nō lā o ka malihini," a stranger for only a day, speaks to the cultural norm that after a day of being welcomed by kama‘āina or hosts, visitors are invited into the work needed to care for the place they have come to. Our hospitality is meant to be responded to with reciprocity; this is the cycle that keeps aloha sustainable. While a fee of this nature is just one step in that direction, it is an important one.

Please pass HB 504.

Kāwika Riley, Vice President

Kupu

HB-504

Submitted on: 2/10/2025 12:40:46 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Karma Hill	Individual	Oppose	Written Testimony Only

Comments:

As a 20 year resident of Maui and a business owner that employes over 30 people in the tourism industry I oppose this bill. Our visitors are already being asked to pay more to visit the Hawaiian Islands then ever before and the hotel rates have gone up so much since COVID it has become unattainable for many. I have not seen a full recovery from covid aside from the boomerang year of 2021 and the Maui fires have diminished our business even more with a drop of wedding bookings over the past year by 50% these are large groups that bring a lot of revenue. People don't want to get married here because they can't ask their guests to pay such elevated prices on lodging and food. More fees and taxes will not help. I fully support needed to support environmental causes, I personally donate to organizations that preserve and steward the land and ocean, This is not the way. The TAT was originally supposed to be a temporary 5% tax, now Maui visitors are paying nearly 18% on top of their lodging costs. Something has to give.

HB-504

Submitted on: 2/10/2025 12:49:21 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

HB504 provides a badly-needed funding source for DLNR environmental protection programs. Please pass HB504.

HB-504

Submitted on: 2/10/2025 12:58:37 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
robin knox	Individual	Support	Written Testimony Only

Comments: Please pass this bill requiring a tourism fee that would provide funding to protect our natural resources. Tourism degrades our environment and depletes natural resources, so it is only fair that the industry should help pay for environmental and natural resource management and protection

HB-504

Submitted on: 2/10/2025 1:19:20 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Laurie R	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Thank you for the opportunity to testify in opposition to HB504.

Let me first state that I agree, all states and our nation as a whole, should be addressing the strain on natural resources and the effects of climate change.

But is there no end to which this legislature will continue to tax and tax and tax, one particular segment of the Hawaii community? Each time the Hawaii legislature wants money for absolutely anything, they turn to TAT to raise it yet again. Since the inception of the TAT, which was originally created to assist in the building of the Hawaii Convention Center, and was meant to be a **temporary tax**, this governing body continues to go to the well to dip its fingers in time and time again. And has presumably gone unchecked regarding what they have actually done with those funds in the past. **And now you are proposing 2 additional taxes through TAT at one time. The other being HB1077. Seriously, is there no end to this?!**

What on earth does it even mean when stated “in exchange for points, miles, or other amounts provided through a membership, loyalty or rewards program”? How is it possible to have a tax associated with programs like this, and with no real explanation?

Our governing bodies continue to tax and tax and tax with no checks and balances as to where funds like this are actually going. Once again you betray your constituents along with the people who visit Hawaii and support our economy.

Additionally, why is only a segment of the community being asked to bear the weight of these taxes? Isn't everyone on island contributing to this strain in one way or another?

I strongly urge you to rethink what you're planning to do here. Please oppose this additional TAT tax.

Thank you for your time and consideration.

HB-504

Submitted on: 2/10/2025 1:21:03 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cat Orlans	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

As a Native Hawaiian resident, I strongly oppose this bill due to its deeply concerning implications on the cultural rights of Native Hawaiians, both here in Hawai‘i and abroad. While I recognize the need to fund the protection of our natural resources, I cannot support the proposed increase to the Transient Accommodations Tax (TAT) in its current form. This bill, while aimed at generating revenue for the Department of Land and Natural Resources (DLNR), fails to address the significant harm it may cause to Native Hawaiians—especially in terms of social equity, constitutional rights, and access to cultural practices.

Impact on Native Hawaiian Residents and Cultural Practices:

Many Native Hawaiians, myself included, travel frequently between the islands for essential purposes that extend beyond leisure travel. These purposes include seeking necessary health services, engaging in cultural and traditional practices, and attending events that are integral to our way of life. The proposed increase to the TAT would apply to all transient accommodations—hotels, vacation rentals, and resorts—yet there is no clear exemption for Native Hawaiian residents traveling for these non-leisure purposes. This oversight imposes an additional financial burden on those of us who already face economic challenges, particularly when traveling for health services, cultural events, or to honor familial obligations.

For a community that is still fighting for equitable access to resources, this is a tax that is a barrier to our constitutional right to freely access our land and engage in our cultural practices. The right to move between islands, to access spaces essential for cultural continuity, and to participate in traditional practices should not be contingent on one’s ability to pay additional taxes.

Constitutional Conflict:

Hawai‘i’s State Constitution provides explicit protections for Native Hawaiian rights, including the right to access natural resources for cultural and traditional practices. This bill and the TAT as it currently stands inadvertently infringes on these rights by taxing residents—especially Native Hawaiians—who are traveling for culturally significant purposes. The Constitution guarantees that Native Hawaiians have unfettered access to lands and resources vital to our

culture and way of life, yet this bill, with its tax increase, introduces an increased economic barrier to that access.

The TAT directly conflicts with the constitutional protections afforded to Native Hawaiians, especially since no exemption is provided for Native Hawaiians (In state or Out of State) engaged in cultural practices or ancestral connections. Further, this could open the state to more legal challenges, as the increase could be seen as a violation of the rights of Native Hawaiians to access their sacred lands freely and without undue financial obstacles.

Impact on Native Hawaiians Living Off-Island:

Additionally, the bill fails to account for Native Hawaiians who live outside of Hawai'i but return home regularly to reconnect with their culture, family, and ancestral lands. These individuals, like my own family members, face significant barriers to returning to Hawai'i due to the distance and costs associated with travel. The imposition of an increased TAT exacerbates these barriers, further marginalizing those of us who are already disconnected from our homeland. A tax increase on accommodations necessary for returning to cultural and familial responsibilities is not just a financial burden—it is a profound limitation on our ability to participate in the cultural and spiritual life of our people.

Conclusion:

While I understand the importance of environmental protection and funding for DLNR, I urge you to consider the broader social and cultural impact this tax will have on Native Hawaiians. This bill, as it currently stands, infringes upon our constitutional right to access lands and resources essential to our cultural practices. The proposed tax increase creates a barrier that would disproportionately impact Native Hawaiians, restricting our ability to engage in practices that are vital to the preservation of our culture, heritage, and identity.

I respectfully ask you to reconsider the consequences of this TAT increase, particularly as it pertains to the Native Hawaiian community.

It is essential that we find a more equitable way to fund the protection of Hawai'i's natural resources without compromising our constitutional rights.

Mahalo for your time and consideration.

I urge you to oppose this bill in its current form.

Catherine Orlans

HB-504

Submitted on: 2/10/2025 2:29:20 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christina Comfort	Individual	Support	Written Testimony Only

Comments:

Increased transient accommodation fees that support environmental stewardship is a great way for visitors to support the special environment that they come to visit. \$20 per night is a reasonable fee to support the work of the DLNR, including restoration of native habitat and protection of forest and aquatic resources. Visitor fees for environmental stewardship have been very successful in Palau and it would be very helpful in Hawaii as well. I strongly support this bill.

HB-504

Submitted on: 2/10/2025 2:54:43 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jenny Yagodich	Individual	Support	Written Testimony Only

Comments:

Support for HB504.

HB-504

Submitted on: 2/10/2025 4:16:16 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cara Birkholz	Individual	Oppose	Written Testimony Only

Comments:

mahalo for the opportunity to testify. I would like to point out

1. the current transient accommodations tax for the State of Hawaii is 10.25%, not 9.25% as shown in the document.

2. the State stopped transmitting the County's share of the TAT to the counties in 2021 and allowed them to increase the TAT an additional 3%. This means the effective TAT (State and County) is 13.25%

I am absolutely opposed to a further increase in the TAT, it is already significantly higher than in other states and jurisdictions.

On the other hand, I do agree that people who stay on points or non-cash rewards should be paying their share of TAT (and GET for that matter too) on the cash value of their reward stay. Why aren't they already?

mahalo

Cara Birkholz, Kihei HI

HB-504

Submitted on: 2/10/2025 4:34:22 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah Chinen	Individual	Oppose	Written Testimony Only

Comments:

I am sorry but I do not support this bill charging \$20 per night of accommodation if using point, miles, etc. People earned these points with travel or purchase in order to stay or fly to Hawaii. If you must charge this fee, then please charge \$20 for the entire stay if using points, miles, etc.

Thanking you in advance for your consideration,

Sarah Chinen

HB-504

Submitted on: 2/10/2025 5:02:25 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Hilary Smith	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill! A \$20 transient accomodation tax is a miniscule price to pay for protecting and restoring our natural resources, and visitors to Hawaii should be proud to pay it. Coral reefs and other natural resources can't protect themselves, so it's up to legislators like you to do the right thing--and voters like me are paying attention.

HB-504

Submitted on: 2/11/2025 9:09:10 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeanne Herbert	Individual	Support	Written Testimony Only

Comments:

Aloha, I fully support HB504 relating to environmental stewardship by increasing the TAT and dedicating it specifically to the protection, restoration and management of our 'Aina. This is not a punitive fee or an amount that would deter tourists from visiting Hawai'i. The proposed fee allows Hawai'i residents to **partner** with our visitors in supporting our 'Aina. Residents don't have the resources to bear the full cost of stewardship of our lands and ocean habitats. We have already seen the effects of underfunded resource management, which is underfunded by at least \$500Million per year, and growing. Voting yes is a vote for the health of our 'Aina and for building a resilient Hawai'i.

Mahalo,

Jeanne Herbert

Honolulu

HB-504

Submitted on: 2/11/2025 9:27:06 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

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

Comments:

Vitally important to ensure that tourists and those who profit from them are also contributing to maintaining our native habitats and the unique ecosystems in Hawai‘i, that are currently degrading, to the detriment of communities and wildlife.

HB-504

Submitted on: 2/11/2025 9:32:15 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Aaron Magee	Individual	Support	Written Testimony Only

Comments:

**TESTIMONY IN SUPPORT OF HB504
RELATING TO ENVIRONMENTAL STEWARDSHIP**

Aloha Members of the Committee,

My name is Aaron Magee, and I am submitting testimony in **strong support** of H.B.504, which seeks to amend the Transient Accommodations Tax (TAT) to generate essential funding for the protection, management, and restoration of Hawaii’s natural resources.

Hawaii’s environment is not just a source of beauty and cultural significance—it is the foundation of our economy, our way of life, and our future. However, increasing pressures from climate change and heavy visitor use are degrading our reefs, forests, beaches, and water resources at an alarming rate. Without substantial and sustained investment, these invaluable resources will continue to decline, threatening local communities, biodiversity, and the very industries—such as tourism—that rely on a healthy environment.

This bill provides a **sensible and necessary solution** by modestly increasing the TAT and implementing a **\$20 per-night fee on accommodations booked with rewards points**. Visitors come to Hawaii to enjoy our pristine landscapes, and it is reasonable to ask that a small portion of their stay contributes directly to the stewardship of these resources. Many other destinations worldwide have adopted similar visitor-based conservation funding models with great success.

The revenue generated will be allocated to the **Department of Land and Natural Resources (DLNR)** to directly support:

- **Habitat restoration and conservation efforts** for native forests, reefs, and watersheds.
- **Climate resilience projects** to combat coastal erosion, wildfires, and flooding.
- **Sustainable management of public lands and natural areas** to reduce overuse and maintain accessibility for both residents and visitors.

By passing H.B. 504, Hawaii can take a proactive stance in ensuring that our environment remains vibrant and resilient for generations to come. This bill is not just about conservation—it is about **economic sustainability, cultural preservation, and environmental justice**.

For these reasons, I respectfully urge the committee to support and pass H.B. 504. Mahalo for the opportunity to testify.

Sincerely,

Aaron Magee

Aaron3324@gmail.com

(808)366-8364

HB-504

Submitted on: 2/11/2025 9:44:59 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Liat Portner	Individual	Support	Written Testimony Only

Comments:

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

My name is Liat Portner 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 was privileged to be born and raised in Mānoa, O‘ahu, with quick access to go explore in the Ko‘olau mountains and enjoy ocean pasttimes in ‘Awāwāmalu, Maunalua and Māmala bay--all in the same day. But this setting is juxtaposed against Waikīkī and the concentrated population that, while important to stimulating our economy, places immense strains--both direct and indirect--on our island resources. My childhood relationship with ‘āina most definitely influenced my career path and I have three degrees and over ten years of experience with Hawai‘i specific natural resources management, research and environmental education. Frameworks in conservation biology depict four components--Management, Science, Education and Policy. So here I am, to encourage you to develop policy that will better support our ability to mālama ‘āina.

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. On land, the degradation of forests and other types of ecosystems most directly impacts water resources in that with out plants, rainfall is more likely to runoff before getting the change to enter into underground storage systems. Runoff generates erosion, making landscapes less productive and the relocation of soil from land to coastal waters impacts coral ecosystems. Healthy ecosystems are NOT just value-laden for their beauty, they faciliate our ability to live on these islands whether you look at it for the essential services they provide (e.g., water, food production), or revenue they generate (i.e., tourism, film 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. Both state land management agencies and nonprofit stewardship groups have been doing amazing work with the limited resources that they have, and a funding source to increase the capacity to conduct land management, restoration, and community-based stewardship will be a boon to all stakeholders.

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 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,

Liat Portner

HB-504

Submitted on: 2/11/2025 9:54:58 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
James Stewart	Individual	Oppose	Written Testimony Only

Comments:

In oppose Bill HB504

**Testimony in Support of HB504
House Committee on Tourism
House Committee on Water and Land**

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

Sam Dorios 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.

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.

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

Submitted on: 2/11/2025 10:06:48 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Navarra	Individual	Support	Written Testimony Only

Comments:

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

My name is Jennifer Navarra, and I am submitting written testimony in strong support of HB 504, which seeks to increase the transient accommodations tax and dedicate the additional funding to environmental stewardship and the care of Hawai‘i’s biocultural resources.

I live on Hawai‘i Island and have worked in conservation for years. Through my experience, I have seen firsthand how under-resourced our natural systems are, despite the immense pressure they face. Coral reefs are bleaching, watersheds are deteriorating, and wildfires and flooding are becoming more frequent and severe. Without proper investment in our ‘āina, these impacts will continue to threaten not only Hawai‘i’s ecosystems but also the communities and industries that depend on them—including tourism.

It is estimated that Hawai‘i needs at least \$560 million annually to properly care for our natural and cultural resources. It is only logical to ask visitors to contribute to the stewardship of the environment they enjoy while in Hawai‘i. The transient accommodations tax (TAT) provides an existing mechanism to do so, and this bill ensures that those funds are directed toward protecting and restoring the very places that make Hawai‘i special.

Nonprofit organizations and community groups have already stepped up to fill the gaps in stewardship, but they cannot continue to do this work alone. Any revenue generated from visitors must be distributed to community-led solutions that prioritize partnerships between local organizations and agencies. I strongly recommend the inclusion of a community grant program in collaboration with the Department of Land & Natural Resources to ensure this funding reaches the people and organizations actively engaged in caring for Hawai‘i’s natural resources.

Public support for this initiative is clear. Previous polling showed that 88% of residents support a visitor green fee. Additionally, a January 2025 survey found that two-thirds of visitors would support a \$50 visitor fee, and a quarter of them said they would be more likely to visit Hawai‘i if such a fee were in place. Both residents and visitors recognize the necessity of investing in environmental stewardship.

We cannot afford to wait any longer. The consequences of underinvestment in our natural resources are already evident, and failing to act now will only lead to further environmental and

economic harm. HB 504 is a critical step toward ensuring that Hawai‘i remains a place that is protected, cared for, and resilient for generations to come.

I urge this committee to pass HB 504 this session.

Mahalo for the opportunity to testify.

Jennifer Navarra

Hawai‘i Island

HB-504

Submitted on: 2/11/2025 11:06:10 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
ROBERT Y CHUNG	Individual	Oppose	Written Testimony Only

Comments:

Poorly written bill.

HB-504

Submitted on: 2/11/2025 11:11:56 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

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

Comments:

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

My name is Alexander Filardo 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 how a lack of funding can lead to poor management and deterioration of our natural resources. I have worked in fisheries management, volunteered with mālama ‘āina organizations and enjoyed Hawai‘i’s beaches, trails, and parks for over a decade. It is clear that our natural resources is what brings people to Hawai‘i and we must fund their protection.

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.

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,

Alex Filardo

Aloha mai kāua,

I strongly support HB504 to amend the transient accommodations tax (TAT) rate and introduce a \$20 per-night levy for accommodations provided through membership, loyalty, or rewards programs. This initiative is a thoughtful and necessary step toward ensuring the sustainable management of Hawai'i's natural resources while addressing the growing impact of tourism on our state.

Key Reasons for Support of HB504:

1. **Funding for Hawai'i's Natural Resources Protection**

Hawai'i's Department of Land and Natural Resources (DLNR) is tasked with managing over 1.3 million acres of public lands, 2 million acres of ocean, and countless endangered species. However, DLNR has historically been underfunded, receiving only about 1.1% of the state budget. This has led to degraded trails, invasive species proliferation, and insufficient staffing for conservation efforts. The proposed tax will provide much-needed funds to restore and protect Hawai'i's unique ecosystems, including reforestation projects, invasive species control, and habitat restoration.

2. **Equity in Taxation for Visitors to Hawai'i**

The inclusion of accommodations booked through points or rewards programs ensures fairness in taxation. Visitors using these programs still contribute to the strain on Hawai'i's local infrastructure and natural resources. By applying a flat \$20 fee per night, this measure ensures that all visitors contribute equitably to the preservation of these islands they visit.

3. **Economic and Environmental Sustainability for Hawai'i**

Tourism is a cornerstone of Hawai'i's economy but also a significant source of pressure on Hawai'i's special and fragile environments. By directing funds from this tax to DLNR, the state can better manage Hawai'i's parks, trails, and marine areas, ensuring these resources remain viable for future generations of Kanaka maoli and Hawai'i's residents while enhancing visitor experiences.

4. **Alignment with Hawai'i's Conservation Goals**

This measure complements existing efforts to secure funding for conservation projects in Hawai'i, such as federal grants for reforestation and watershed protection. It represents a proactive approach to addressing environmental challenges exacerbated by tourism in Hawai'i.

This measure is not just a tax; it is an investment in Hawai'i's future. It addresses critical funding gaps in Hawai'i's natural resource management while ensuring that visitors contribute their fair share to maintaining the beauty and ecological integrity of our islands. I urge policymakers to adopt this measure for the benefit of the people of Hawai'i and visitors alike.

Me ka ha'aha'a,



Malia Heimuli

HB-504

Submitted on: 2/11/2025 12:44:17 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alana Hart	Individual	Support	Written Testimony Only

Comments:

I am in great and abundant support of the accomodations tax increase to fund environmental stewardship as proposed by HB504. It is crucial that we pass eco-tourism measures that help divert some of the immense funds from tourism back into the local ecology, and support programs and staff to help organize and steward what is necessary to help combat climate change and keep our islands resilient and beautiful and with the chance for restoration and renewal.

Please pass this measure and all others that aim to promote a green fee for all tourists, to help support the land they have traveled so far to visit.

Mahalo for the opportunity to testify.

HB-504

Submitted on: 2/11/2025 1:58:14 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian Paris	Individual	Oppose	Written Testimony Only

Comments:

Oppose

HB-504

Submitted on: 2/11/2025 2:03:02 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shea Petty	Individual	Support	Written Testimony Only

Comments:

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

My name is Shea Petty, and I am submitting written testimony in **strong support of HB504**, which seeks to increase the transient accommodations tax and dedicate additional funding toward environmental stewardship and the protection of Hawai‘i’s biocultural resources.

I was born and raised in Hawai‘i, and my connection to this land is deeply personal. As someone who has spent my life studying traditional Hawaiian healing, herbalism, and sustainable practices, I understand that the health of our land and waters is inseparable from the health of our people. In Hawaiian culture, we recognize that when the land is sick, so are we. The degradation of our natural resources is not just an environmental crisis—it is a health crisis, a cultural crisis, and a direct threat to our way of life. It is our kuleana to ensure that Hawai‘i is protected and cared for, not only for our residents but for future generations.

We are already facing the consequences of underinvesting in our ‘āina. The increasing frequency of **wildfires, floods, coral bleaching, and brown water events** harms the places that sustain both our communities and our visitor industry. Studies estimate that we need at least **\$560 million annually** to effectively care for Hawai‘i’s natural and cultural resources. Yet, despite tourism’s enormous footprint, visitors contribute little toward the protection of the very places they come to enjoy. **Tourism is an undeniable part of our economy, but it must be balanced with accountability and responsibility.** This bill provides a **logical and necessary solution**—asking visitors to contribute through an existing tax framework that ensures sustainable investment in our environment.

Investing in **protection, restoration, and stewardship** is not just about preventing environmental collapse—it is about securing the resilience of our islands. Healthier watersheds reduce flood risks, restored coral reefs strengthen our marine ecosystems and food security, and properly managed landscapes help prevent wildfires. But much of this work has been shouldered by **nonprofit organizations and community groups**, who have stepped up in the absence of state funding. These groups are already leading successful stewardship efforts, yet they struggle to secure consistent financial support. It is essential that any visitor-generated revenue be **directed toward community-driven solutions** through a grant program in partnership with the Department of Land & Natural Resources.

There is **overwhelming public support** for this initiative. Polling has shown that **88% of residents** support a visitor green fee, and a **January 2025 survey found that two-thirds of visitors support a \$50 fee, with a quarter stating they would be more likely to visit Hawai‘i if such a fee were enacted.** Both residents and visitors agree: giving back to the places you visit is not just acceptable—it is necessary.

We cannot afford to delay action any longer. The devastating fires, floods, and environmental degradation we have witnessed are not isolated events—they are warning signs of what will continue to happen if we fail to invest in our ‘āina. This measure represents a **critical step toward a future where Hawai‘i is protected, thriving, and resilient**—not just for today, but for generations to come.

I urge this committee to pass an environmental stewardship fee this session. Our islands cannot afford to wait any longer.

Mahalo for your time and consideration.

Shea Petty

HB-504

Submitted on: 2/11/2025 2:09:16 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Charlotte Frank	Individual	Support	Written Testimony Only

Comments:

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 live on the island of Oahu and have seen first hand the direct and negative impacts to our natural and cultural resources due to overtourism, climate change, sea level rise, invasive species, plastic pollution, water scarcity, and other land use changes. It is my deepest hope that this bill passes and the funds collected through an increased accommodation tax will provide a means to protecting our natural resources from mauka to makai. We cannot wait to make change. It needs to happen now.

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 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.

I also 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 have worked with Papahānaumokuākea Marine Debris Project for the last four years, where we complete large scale marine debris cleanups in the Papahānaumokuākea Marine National Monument, just recently changed to a sanctuary (yay!). This past year we removed 1 million pounds of debris from this incredibly important ecosystem and sacred cultural place. 1 million pounds. That is upsetting in every sense of the word. We need action now. We need change now.

There is immense public pressure for this initiative, and there has been for years. Previous polling showed 88% of the residents support a visitor green fee. In January 2025, visitors were polled on their attitudes to a fee. Two-thirds supported 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.

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

Mahalo for the opportunity to testify,

Charlotte Frank

HB-504

Submitted on: 2/11/2025 4:06:40 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathleen Fleming	Individual	Oppose	Written Testimony Only

Comments:

This bill contains inaccuracies. For instance, TAT is currently 10.25%, not 9.25%. Secondly, it is yet another attempt to kill off tourism, which is Hawaii's leading industry and the main provider of jobs, by far. A \$20 a night fee on top of lodging taxes of 17.75%, the highest in the U.S. and certainly higher than all of Europe. Further taxation on visitors will result in less government revenue, not more, as visitors reject Hawaii as a destination. Occupancy rates are already down; we need to encourage visitors to our islands, not give them one more reason to stay away.

HB-504

Submitted on: 2/11/2025 5:38:55 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Evans	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs Tam and Hashem and Tourism and Water & Land Committees,

My name is Andrew Evans. I am born and raised on the Windward side of O'ahu, and I work as a conservation professional and habitat restoration steward. I urge you to support HB504 as long-overdue legislation that aligns our tourism economy with the beautiful land and ocean that the tourism economy was built upon.

It was in 1970 that Joni Mitchell wrote "Big Yellow Taxi" about our islands, critically examining how we were given such a beautiful and abundant home and paved over it in service to business, tourism, and urbanization. As a conservation worker, my colleagues and I are in a constant fight against the consequences of the globalization of our islands, from introduced invasive species, to recklessly damaged corals and forests, to the plastic pollution from our tourism's dependence on single-use plastics. And meanwhile our conservation organizations, both state and private, are lacking staffing, lacking funding, and lacking the ability to provide competitive salaries for local people wanting to work in land stewardship.

With a tourist economy which sells itself on the opportunity to witness or engage with unique, exotic, or tropical landscape, its time some money from that economy actually goes to maintain that natural landscape.

The possibility of and conflict around this conservation tax has gone on for too long. Please support HB 504.

Mahalo,

Andrew Evans

HB-504

Submitted on: 2/11/2025 7:46:36 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Oppose	Written Testimony Only

Comments:

Definitely oppose as a user of loyalty programs which as a consumer I've earned for my loyalty to the program.

HB-504

Submitted on: 2/11/2025 9:35:35 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
joseph simpliciano	Individual	Support	Written Testimony Only

Comments:

If New Zealand can do it so can we. Recent poll shows that tourist are willing to chip in to take care of Hawai'i. Mahalo

HB-504

Submitted on: 2/12/2025 6:39:53 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sienna Streamfellow	Individual	Support	Written Testimony Only

Comments:

Aloha. As someone who works in aina and cares deeply for taking care of our islands please support this bill. We need more funding and more people to care for our places and to help heal our islands and restore our forests. Mahalo

**Testimony in Support of HB504
House Committee on Tourism
House Committee on Water and Land**

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

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 '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 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 Department of Land & Natural Resources 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

Submitted on: 2/12/2025 10:29:56 AM

Testimony for TOU on 2/13/2025 9:00:00 AM

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

Comments:

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

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 and I have worked in the tourism industry, specifically in the "outdoor adventure" department for 13 years. I have personally seen for over a decade the impacts that tourism has on our island, both mauka and makai. It is crucial that we receive funding to empower environmental stewardship projects.

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 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 for Reuse Hawaii, a nonprofit that diverts construction waste from landfills. I'm involved with so many other nonprofits that steward and project land in their own ways, Papahāna Kūāloa and Hōouluāina and Hōoukūāina with their education and land stewardship models, Kaulunani with their urban forestry programs, and so many more.

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 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

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

I strongly support HB504 to reinvest revenue into the stewardship of the very natural resources that tourists come to enjoy..

- U'ilani Naipo

HB-504

Submitted on: 2/12/2025 6:32:27 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
STANLEY RUIDAS	Individual	Support	Written Testimony Only

Comments:

My name is Stan Ruidas and I support HB504. I'm from the island of Lanai. 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. Mahalo

HB-504

Submitted on: 2/12/2025 10:26:20 PM

Testimony for TOU on 2/13/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tamara McKay	Individual	Oppose	Written Testimony Only

Comments:

Aloha Members of the Committee,

I am submitting testimony in **opposition to HB504 unless key amendments are made** to ensure financial transparency, protect Hawaii’s tourism industry, and prevent unnecessary burdens on visitors and businesses. While I recognize the importance of environmental stewardship and the need for adequate funding, the proposed **increase in the Transient Accommodations Tax (TAT) and the additional \$20 per night tax on reward-based stays** raises serious concerns about **economic impact, transparency, and long-term consequences for Hawaii’s tourism industry.**

Concerns Regarding HB504

1. Lack of Transparency in DLNR Spending

- The bill **does not specify how funds will be allocated**, instead giving broad discretion to the **Department of Land and Natural Resources (DLNR)**.
- There are **no public reporting requirements**, independent audits, or performance benchmarks for how this revenue will **restore and protect natural resources**.
- Without **oversight**, funds could be misallocated or used inefficiently.

Recommended Amendment:

- Require **annual public reporting** on how tax revenues are allocated and **what projects are funded**.
- Establish an **independent oversight committee** to ensure funds are used **exclusively for environmental conservation** and not diverted elsewhere.

2. Unfair \$20 Per Night Tax on Reward-Based Hotel Stays

- The bill imposes a **\$20 per night tax** on accommodations booked using **points, airline miles, or loyalty rewards programs**.
- This **directly discourages return visitors** who **rely on loyalty programs** to plan their trips.

- It makes **Hawaii less competitive** compared to destinations that do not tax reward-based stays.
- The tax could **hurt local hotels and resorts** by making reward programs less attractive to travelers.

Recommended Amendment:

- **Remove the \$20 per night tax** on reward-based accommodations.
 - If additional revenue is needed, **consider alternative funding sources** that do not target repeat visitors.
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3. No Defined Cap on Future Tax Increases

- HB504 sets a **new precedent for expanding tourism taxation**.
- There is **no cap on future tax increases**, meaning that Hawaii's **tourist industry could be taxed further without legislative restraint**.
- The lack of **economic impact analysis** means lawmakers **do not know how this will affect visitor rates**.

Recommended Amendment:

- Include a **legislative cap on future TAT increases** without a **public referendum or independent economic impact study**.
 - Require an **annual assessment** on the tax's impact on **visitor spending and hotel occupancy rates**.
-

4. Risk of Double Taxation and Increased Costs for Visitors

- HB504 **does not clarify if the \$20 tax is in addition to** other existing tourism taxes.
- Hawaii already imposes **one of the highest tourist taxes in the U.S.**, and this could **make accommodations even more expensive**, reducing demand.

Recommended Amendment:

- Clearly state whether this tax is **separate from or included in existing hotel taxes**.
 - Ensure that guests **are not being double-taxed** for the same accommodation.
-

Conclusion

While I support efforts to **protect and restore Hawaii's environment**, HB504 in its current form **relies on excessive taxation of visitors without clear financial oversight or safeguards**. The **\$20 tax on reward-based stays is particularly harmful** to Hawaii's tourism industry and should be removed. Additionally, **greater transparency is needed to ensure funds are used effectively** and **future tax increases should be capped** to protect Hawaii's economic stability.

I respectfully urge the committee to **reject HB504 unless the proposed amendments are included**.

Mahalo for your time and consideration.