

September 20, 2021

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MEMO TO: GET-3(1) File

OFFICE OF THE
COUNTY COUNCIL

F R O M: Kelly Takaya King, Councilmember

Kelly T. King

SUBJECT: **TRANSMITTAL OF LEGISLATIVE PROPOSAL RELATING TO
2022 HAWAII STATE ASSOCIATION OF COUNTIES
LEGISLATIVE PACKAGE** (PAF 21-281)

The attached legislative proposal pertains to Item 3(1) on the Committee's agenda.

paf:kmatt:21-281c

Attachment

Resolution

No. _____

APPROVING FOR INCLUSION IN THE 2022
HAWAII STATE ASSOCIATION OF COUNTIES
LEGISLATIVE PACKAGE A STATE BILL TO
ASSESS A CLIMATE CHANGE MITIGATION
IMPACT FEE FOR TOURISM-RELATED
VEHICLES

WHEREAS, tourism has a significant impact on Hawaii's environment and public services; and

WHEREAS, a 2019 report from the Travel Foundation, Cornell University, and EplerWood International, "Destinations at Risk: The Invisible Burden of Tourism," states destinations must uncover and account for tourism's hidden costs, referred to as the "invisible burden," to protect and manage vital destination assets worldwide; and

WHEREAS, according to the report, failing to do so puts ecosystems, cultural wonders, and community life at increasing risk and places the tourism industry on a weak foundation; and

WHEREAS, to ensure the quality of life of residents, the health of the environment, and continued value for the visitor experience, management efforts to maintain the State's infrastructure and environment are imperative; and

WHEREAS, fees with an environmental focus and that are designed to manage the impacts of tourism on climate change and the environment are essential to the State's management efforts; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the proposed State bill, attached as Exhibit "A," to assess a climate change mitigation impact fee for tourism-related vehicles, is approved for inclusion in the 2022 Hawai'i State Association of Counties Legislative Package; and
2. That certified copies of this Resolution be transmitted to the Hawaii State Association of Counties Executive Committee.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO CLIMATE CHANGE MITIGATION.

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

1 SECTION 1. Tourism, as the State's primary industry, has a
2 significant impact on Hawaii's environment and public services. A
3 2019 report, "Destinations at Risk: The Invisible Burden of
4 Tourism", commissioned by the Travel Foundation and co-published
5 with Cornell University's Centre for Sustainable Global Enterprise
6 and EplerWood International, describes how destinations must
7 uncover and account for tourism's hidden costs, referred to as the
8 "invisible burden", to protect and manage vital destination assets
9 worldwide. According to the report, failing to do so puts
10 ecosystems, cultural wonders, and community life at increasing
11 risk and places the tourism industry on a weak foundation.

12 The impacts of cars, buses, shuttles, and other road vehicles,
13 which emit carbon dioxide and other greenhouse gases, contribute
14 to climate change. To ensure the quality of life of residents,
15 the health of the environment, and continued value for the visitor
16 experience, management efforts to maintain the State's
17 infrastructure and environment are imperative.

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1 Fees with an environmental focus and that are designed to
2 manage the impacts of tourism on climate change and the environment
3 are essential to the State's management efforts.

4 The purpose of this Act is to assess a climate change
5 mitigation impact fee for persons renting, leasing, or utilizing
6 tourism-related vehicles in the State to be used toward protecting
7 Hawaii's natural resources and environment, which are essential to
8 the quality of life of residents and the State's tourism-based
9 economy.

10 SECTION 2. Chapter 171, Hawaii Revised Statutes, is amended
11 by adding two new sections to be appropriately designated and to
12 read as follows:

13 **"§171-A Climate change mitigation impact fee.** (a) Beginning
14 July 1, 2022, every rental motor vehicle customer shall pay to the
15 department a climate change mitigation impact fee for renting,
16 leasing, or utilizing a rental motor vehicle.

17 (b) The climate change mitigation impact fee shall be
18 assessed to each rental motor vehicle customer at a charge of \$
19 per day, or any portion of a day, that the rental motor vehicle is
20 rented or leased by the rental motor vehicle customer.

21 (c) All fees collected pursuant to subsection (a) shall be
22 deposited to the credit of the general fund; provided that
23 beginning July 1, 2024, all fees collected pursuant to subsection

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1 (a) shall be deposited to the credit of the climate change
2 mitigation special fund established pursuant to section 171-B.

3 (d) The department shall establish rules pursuant to chapter
4 91 necessary for the collection of climate change mitigation impact
5 fees.

6 (e) For the purposes of this section, "rental motor vehicle"
7 means:

8 (1) Any gas powered vehicle that is rented or leased or
9 offered for rent or lease in the State, whether for personal or
10 commercial use, for a period of six months or less;

11 (2) Any vehicle, including vans, minibuses, and buses
12 used for the purpose of transporting persons or luggage for
13 pleasure or sightseeing trips, or transporting persons to pleasure
14 or sightseeing cruises or destinations; and

15 (3) A moped as defined in section 286-2; provided that
16 the moped is rented or leased by a rental motor vehicle customer.

17 "Rental motor vehicle" does not include any vehicle that is
18 used solely for the purposes of transporting individuals to and
19 from a place of work or a public or private school or of
20 transporting persons with disabilities.

21 **§171-B Climate change mitigation special fund.** (a) There
22 is established in the state treasury a special fund to be known as

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the climate change mitigation special fund into which shall be deposited, beginning July 1, 2024:

(1) All fees collected pursuant to section 171-A;

(2) Appropriations made by the legislature for deposit into the special fund; and

(3) Donations and contributions made by private individuals or organizations for deposit into the special fund.

(b) Moneys in the climate change mitigation special fund shall be used by the department for:

(1) Climate change mitigation;

(2) Environmental management and planning;

(3) Environmental conservation;

(4) Management and protection of natural resources and ecosystems;

(5) Environmental awareness and education; and

(6) Sustainable tourism practices."

SECTION 3. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2050.

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1 INTRODUCED BY: _____

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3 paf:kmatt:21-281a