December 6, 2019

Committee Report No. 19-145

Honorable Chair and Members of the County Council County of Maui Wailuku, Maui, Hawaii

Chair and Members:

Your Environmental, Agricultural, and Cultural Preservation Committee, having met on June 18, 2019, July 2, 2019, August 20, 2019, and November 21, 2019, makes reference to County Communication 17-231, from Councilmember Elle K. Cochran, relating to visitor impacts to County environmental and infrastructural resources.

By correspondence dated November 13, 2019, the Chair of your Committee transmitted the following:

1. A proposed resolution entitled "URGING THE STATE LEGISLATURE TO ESTABLISH IMPACT FEES FOR TOURISTS."

The purposes of the proposed resolution are to urge the State Legislature to:

- establish impact fees for tourists;
- add an impact fee to the cost of every airline ticket and cruise ship ticket purchased by visitors to Hawaii; and
- share a portion of the proceeds with the counties to supplement the budgets of departments that are impacted by tourism, such as those dealing with parks and recreation, fire protection and rescue, ocean safety, emergency services, and law enforcement.

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2. A proposed resolution entitled "URGING THE STATE LEGISLATURE TO REQUIRE TOUR, AIRLINE, AND CRUISE OPERATORS TO SHOW VISITORS AN INFORMATIONAL VIDEO UPON ENTERING THE STATE OR BEFORE EMBARKING ON ACTIVITIES."

The purpose of the proposed resolution is to urge the State Legislature to enact legislation to require tour, airline, and cruise operators to show visitors an informational video upon entering the State or embarking on tour activities.

Your Committee notes that the Council's Infrastructure and Environmental Management Committee (2017-2019 Council term) met on October 15, 2018, and December 3, 2018.

During discussion on the proposed resolution on impact fees, your Committee provided examples of other jurisdictions that have enacted impact fees for tourists.

Your Committee also discussed the possibility of enacting impact fees at a County level. Your Committee notes Sections 46-141 to 46-148, Hawaii Revised Statutes, provide procedures and standards for the enactment of impact fees by the counties.

Your Committee revised the proposed resolution to state that any legislation on impact fees should apply only to non-Hawaii residents and that proceeds generated from the impact fees should be shared pro rata with the counties to supplement county budgets of departments that currently address tourism impacts.

Your Committee voted 6-0 to recommend adoption of the revised proposed resolution. Committee Chair Sinenci, Vice-Chair Kama, and members King, Molina, Paltin, and Sugimura voted "aye." Committee member Lee was excused.

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During discussion on the proposed resolution on informational videos, your Committee received a presentation from Sherry Duong, Executive Director of the Maui Visitors Bureau. The presentation included a series of videos that were produced to educate visitors on their responsibility, awareness, and safety while in the Hawaiian Islands. Your Committee provided feedback on the videos, which are currently being shown through some airlines.

Your Committee revised the proposed resolution by amending the title to read: "URGING THE STATE LEGISLATURE TO REQUIRE TOUR, AIRLINE, AND CRUISE OPERATORS TO SHOW VISITORS AN INFORMATIONAL VIDEO ABOUT SAFE AND SUSTAINABLE TOURISM PRIOR TO ENTERING THE STATE." Your Committee further revised the proposed resolution to highlight the need to reduce the number of visitor accidents and fatalities and the importance of conserving Hawaii's freshwater and marine ecosystems.

Your Committee voted 7-0 to recommend adoption of the revised proposed resolution. Committee Chair Sinenci, Vice-Chair Kama, and members King, Lee, Molina, Paltin, and Sugimura voted "aye."

Your Environmental, Agricultural, and Cultural Preservation Committee RECOMMENDS the following:

- 1. That Resolution <u>19-195</u>, attached hereto, entitled "URGING THE STATE LEGISLATURE TO ESTABLISH IMPACT FEES FOR TOURISTS," be ADOPTED; and
- 2. That Resolution <u>V9-196</u>, attached hereto, entitled "URGING THE STATE LEGISLATURE TO REQUIRE TOUR, AIRLINE, AND CRUISE OPERATORS TO SHOW VISITORS AN INFORMATIONAL VIDEO ABOUT SAFE AND SUSTAINABLE TOURISM PRIOR TO ENTERING THE STATE," be ADOPTED.

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This report is submitted in accordance with Rule 8 of the Rules of the Council.

SHANE M. SINENCI, Chair

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Resolution

#### No. <u>19-195</u>

URGING THE STATE LEGISLATURE TO ESTABLISH IMPACT FEES FOR TOURISTS

WHEREAS, Hawaii is one of the most popular travel destinations in the United States and receives millions of visitors of all ages from across the world; and

WHEREAS, visitor arrivals are setting records; and

WHEREAS, according to statistics compiled by the Hawaii Tourism Authority, 9,954,548 visitors came to the Hawaiian Islands in 2018, a 5.9 percent increase from 2017; and

WHEREAS, visitor arrivals are up 5.2 percent for the first eight months of 2019, as compared to the same period in 2018; and

WHEREAS, although visitors contribute to the local economy, they can also have a serious impact on the State's physical infrastructure, natural resources, traffic, society, and culture; and

WHEREAS, Hawaii's natural environment is being damaged from serious overuse; and

WHEREAS, it is important for residents and visitors alike that Hawaii's precious natural environment is preserved and protected for future generations; and

WHEREAS, travel destinations around the world have established tourism impact fees to maintain infrastructure, fund visitor services, and protect the natural environment; and

WHEREAS, the Council believes the cost of maintaining infrastructure, providing visitor services, and preserving the natural environment should be the shared responsibility of both residents and the nearly ten million tourists who visit the Hawaiian Islands every year; now, therefore,

#### Resolution No. \_\_\_\_\_

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

- 1. That it urges the Hawaii State Legislature to enact legislation to:
  - a. establish impact fees for non-Hawaii residents;
  - b. add an impact fee to the cost of each airline ticket for non-Hawaii residents and cruise ship ticket purchased by visitors to Hawaii; and
  - c. share a pro rata portion of the proceeds generated from impact fees with the counties to supplement the county budgets of departments to address impacts by tourism, such as those dealing with parks and recreation, fire protection and rescue, ocean safety, emergency services, and law enforcement; and
- 2. That copies of this resolution be transmitted to the Honorable David Y. Ige, Governor, State of Hawaii; the Honorable Scott K. Saiki, Speaker of the House, State of Hawaii; the Honorable Ronald D. Kouchi, Senate President, State of Hawaii; Chris Tatum, President and Chief Executive Officer, Hawaii Tourism Authority; and the Executive Committee of the Hawaii State Association of Counties.

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# Resolution

No. 19-196

URGING THE STATE LEGISLATURE TO REQUIRE TOUR, AIRLINE, AND CRUISE OPERATORS TO SHOW VISITORS AN INFORMATIONAL VIDEO ABOUT SAFE AND SUSTAINABLE TOURISM PRIOR TO ENTERING THE STATE

WHEREAS, Hawaii is one of the most popular travel destinations in the United States and receives millions of visitors of all ages from across the world; and

WHEREAS, many visitors are uninformed about the risks of engaging in outdoor activities, causing them to exercise poor judgment, which can lead to life-threatening situations; and

WHEREAS, on July 31, 2017, the Honolulu Civil Beat reported, "Nearly one tourist dies each week while engaged in common vacation activities like swimming, snorkeling, hiking, and going on scenic drives"; and

WHEREAS, visitors who are inexperienced or unfamiliar with Hawaii's seasonal, deceptive, and unpredictable ocean conditions often overestimate their swimming abilities and find themselves in precarious situations; and

WHEREAS, State of Hawaii Department of Health records show the following:

- Over the past decade, the rate of drowning for visitors was 13 times the national average and 10 times the rate for residents, with snorkeling the leading activity associated with drowning;
- Visitors represented 55 percent of the 682 ocean drownings from 2008 to 2017;
- From 2009 to 2017, 81 percent of 362 spinal-cord injuries were incurred by visitors, with 142 of the injuries resulting from waves; and

### Resolution No. \_\_\_\_\_

WHEREAS, the visitor industry has helped produce a recreational safety video, but critics have regarded it as inadequate; and

WHEREAS, a thoughtful, well-produced informational video could help visitors become more aware of the State's environment and culture, while reducing the number of accidents and fatalities, if it explained:

- the concept of the Aloha Spirit;
- the importance of preserving the environment by keeping the Islands clean and free from litter and waste;
- the importance of conserving Hawaii's precious fresh water and marine ecosystems; and
- the importance of ocean-safety practices and prevention; now, therefore,

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

- 1. That it urges the Hawaii State Legislature to enact legislation to require tour, airline, and cruise operators to show visitors a thoughtful, well-produced informational video upon entering the State or embarking on tour activities in the State; and
- 2. That certified copies of this resolution be transmitted to the Honorable David Y. Ige, Governor, State of Hawaii; the Honorable Scott K. Saiki, Speaker of the House, State of Hawaii; the Honorable Ronald D. Kouchi, Senate President, State of Hawaii; Chris Tatum, President and Chief Executive Officer, Hawaii Tourism Authority; and the Executive Committee of the Hawaii State Association of Counties.

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