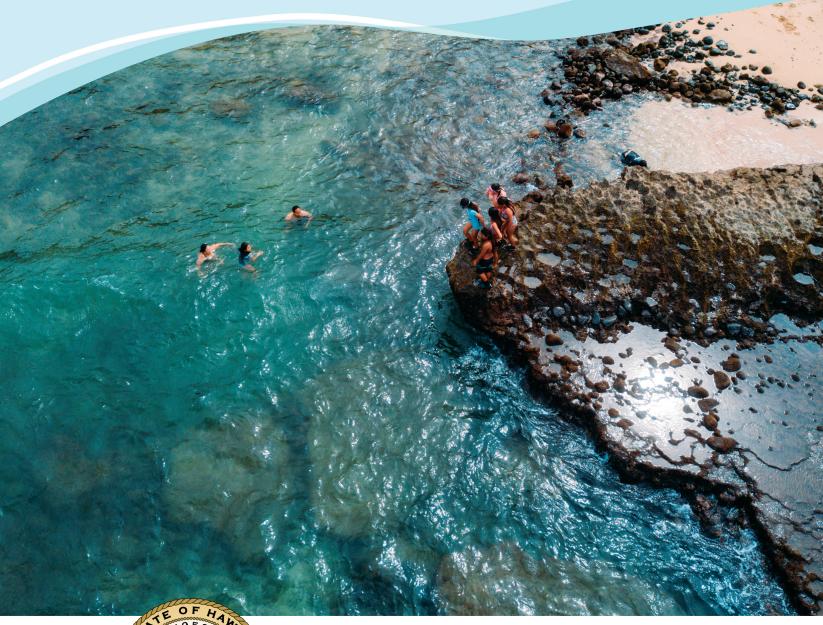
# Aloha i ke Kai

HAWAI'I OCEAN STEWARDSHIP FEE PROGRAM





Aloha i ke Kai connects our ocean communities in a united vision to grow health and abundance through securing sustainable funding to lift up ocean kuleana and stewardship





#### Aloha i ke Kai — Love for our Oceαn

The name Aloha i ke Kai embodies the love and connection we feel with our ocean. The name of this program promotes a collective call to action to foster this reciprocal relationship with the ocean through stewardship and service, with both people and place in mind.

#### Life begins in the ocean

Hānau ka uku koʻakoʻa, hānau kāna, he ʻākoʻakoʻa, puka! Born was the coral polyp, born was the coral, came forth!

The Kumulipo, Hawai'i's creation story, recounts the birth of all living things in Hawai'i. The very first birth within the creation story emerges from the ocean, the coral polyp. The 2000 line chant teaches that life in the sea and life on the land are inexorably connected.

The ocean IS our shared genealogy.

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This booklet serves to support our ocean businesses in the roll out of a new method for securing sustainable funding for our ocean. It serves as a "how-to," offering information and guidance on the Aloha i ke Kai Ocean Stewardship Fee Program.

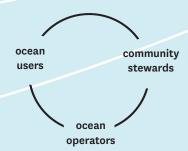
> Please visit DLNR.Hawaii.gov/AlohaikeKai for additional information.



#### ALOHA I KE KAI CONNECTS OUR OCEAN COMMUNITY

Aloha i ke Kai, the Hawaiʻi Ocean Stewardship Fee Program

seeks to revitalize Hawaiʻi's coasts and oceans. It is a sustainable funding solution led by the Department of Land and Natural Resources (DLNR), Division of Aquatic Resources (DAR) to support marine stewardship initiatives via direct investment from ocean users. It builds relationship between ocean use and ocean stewardship; It connects ocean experiences with actions that cultivate ocean abundance.



United in love for our ocean, the **Aloha i ke Kai** program creates an unprecedented opportunity to catalyze long term funding

commitment to support local stewardship and conservation practices for restoring shoreline and ocean ecosystem health. It builds the interdependence and pilina between the visitor economy, the local economy, and local ecology. The program recognizes the need to generate funding to manage, protect, and enhance our ecosystems because of, and through, the sharing of our ocean's gifts with Hawai'i's visitors.



## The \$1 fee is anticipated to be widely embraced by ocean customers

Initial support for the **Aloha i ke Kai** program was identified through "The Ocean Stewardship Feasibility Report for Hawai'i" <sup>1</sup> carried out by Conservation International (CI), in addition to a study by the National Oceanic and Atmospheric Administration (NOAA). The studies indicate that a one dollar (\$1.00) fee would be positively received, potentially generating one to five million dollars in revenue, and would offer significant benefits to marine resources and users.

#### Ocean recreation impacts ocean health

The cumulative impact of human activity (including accompanying vessels and craft) in the water adversely affect coral reefs, water quality, ocean animals, and coastal health. Not surprisingly, impact worsens with frequent, high-intensity use. A study on Hawai'i's coastal tourism by Lin et al.³ highlighted that areas with better coral cover and water quality attract more visitors, increasing stress on these ecosystems. Consequently, the accessibility of these desirable and beautiful marine environments make them more susceptible to degradation from continuous heavy usage.

#### Aloha i ke Kai is Designed to Support You

- A dedicated online portal (AlohaikeKai.Hawaii.gov) serves as a valuable communications hub and the vehicle for easy, efficient reporting and payment of the fee
- No excise tax on the Ocean Stewardship fee
- No fees for direct bank transfers
- Aloha i ke Kai branding tools and guidance assists in communicating the purpose of the fee to your customers AND increases the market value of your offerings

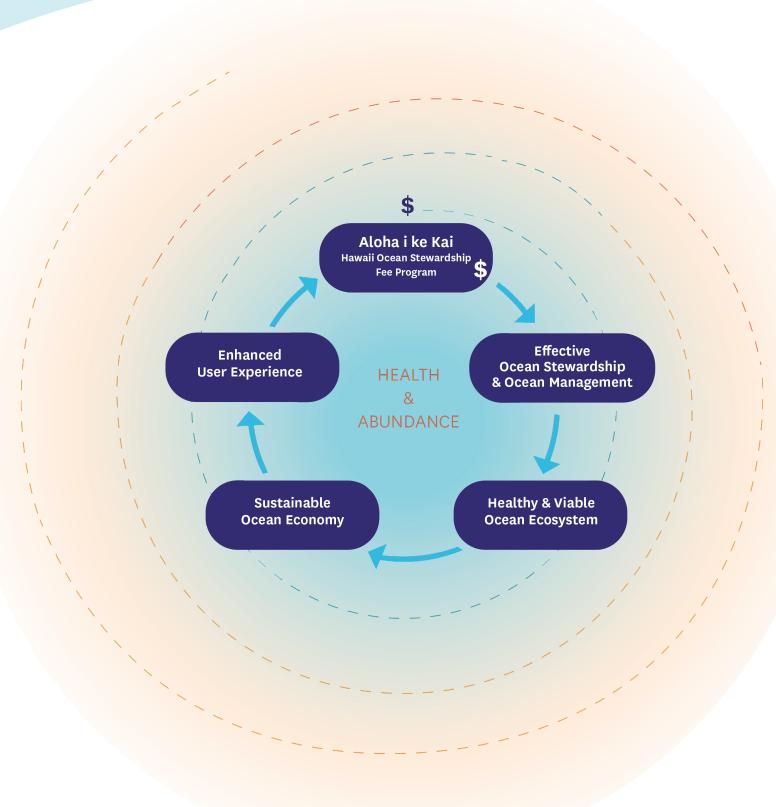
#### A huge mahalo to our ocean community for your support of Act 46 (SLH 2021) HRS §187A-52

Because of your support, including the leadership of the Ocean Tourism Coalition, Act 46 was signed into law in June 2021 establishing an Ocean Stewardship Special Fund, administered by the Department of Land and Natural Resources (DLNR), Division of Aquatic Resources (DAR).

All operators of commercial vessels, watercraft or water sports equipment or activities conducting commercial tours or instruction on State ocean waters are required to have a permit under section 13-256-3 of the Hawaiʻi Administrative Rules (HAR), known as a Commercial Use Permit (CUP).

Beginning January 1, 2024, these operators will collect a one dollar (\$1.00) Ocean Stewardship User Fee from each passenger they carry or customer they serve. The collected fees will be transferred to DAR on a monthly basis and deposited into the Ocean Stewardship Special Fund.

#### **ALOHA I KE KAI SEEKS GREATER HEALTH & ABUNDANCE**



#### WHO WILL PAY THE FEE

Mahalo to our ocean businesses who will collect a one dollar (\$1.00) Ocean Stewardship Fee from each passenger they carry or customer they serve, beginning on January 1, 2024. The collected fees will be transferred to DAR on a monthly basis via the newly created online portal, a hub for communications and reporting and paying of the fee.



Kawaihae, Kahului, Kaunakakai, Kaumālapa'u,

Nawiliwili, and Port Allen.

Nearshore Fishing Charters, Spear Fishing Charters, Deep Sea Fishing Charters

Snorkel, SCUBA, Manta Ray Tour

Whale Watch, Catamaran Sailboat Cruises, Wildlife Viewing, Outrigger Canoe, Dinner Cruise

Surf Lesson, Jet Ski, Parasail, Guided Kayak

Infants	YES	The way the statute reads, if infants are reported as passengers, they will still be subjected to the one dollar (\$1.00) fee.	
Staff and crew members of a commercial operation	NO	The definition of passenger doesn't include the captain or crew members or employees.	
Commercial vessels used on personal trips like holoholo	NO	Personal trips are not under commercial trips, so there is no requirement to be subjected to the one dollar (\$1.00) fee.	
Bare boat rental (Self-guided) Operations	YES	Companies who rent out vessels are required to have a commercial use permit, so they are also subject to the Ocean Stewardship Fee.	
Pro-bono rider	YES	Passengers of non-profit orgs or commercial operations that utilize grants for educational vessels will still be subjected to the one dollar (\$1.00) fee. Grants may be possible through the Ocean Stewardship Fund. See pages 6 – 10.	
Cruise ship passengers	NO	Cruise ships that operate out of commercial harbors are not required to have a commercial use permit from DOBOR, so the Ocean Stewardship Fee would not apply to them.	
Gear rental	NO	Companies who rent out water sports equipment (kayaks, surf boards, snorkel gear) are not required to have a commercial use permit and therefore would not be subject to the Ocean Stewardship Fee.	
A single commercial operator that transports passengers on multiple vessels during one trip	Collect 1 fee only	A commercial operator that requires multiple permits for a single experience, will only need to collect the fee one time per passenger.	
Commercial operators operating out of Department of Transportation (DOT)	NO	Commercial operators operating out of DOT commercial harbors do not require a Commercial Use Permit, and hence do not need to collect the fee. There are nine DOT commercial harbors in the statewide system: Honolulu, Kalaeloa, Barbers Point, Hilo,	

## Exemption information & Answers to your questions:

"If a trip is canceled and the experience did not occur, are commercial operators still responsible for collecting the fee?"
No. If an experience did not occur then the fee does

"If a trip is refunded after an experience because of customer dissatisfaction or other reasons, are commercial operators still responsible for collecting the fee?"

not need to be collected.

Yes. Although the ticket is refunded to the customer, the stewardship fee should still be collected because the experience occurred. Alternatively, you may elect to refund the fee, in which case your business would need to pay the fee on the customer's behalf.

## "Can Hawai'i residents be exempt from paying the fee?"

The one dollar (\$1.00) fee is mandatory for all customers and passengers of commercial operations, including residents.

"Is it possible for commercial operators who have been consistently compliant and follow the rules to receive credit for ensuring that the passengers/customers are educated and mindful about their environment during their experiences with the ocean?"

Ocean education and environmental awareness influences behavior that all can observe. However, there are currently no exceptions in the statute to credit compliant operators or operators carrying out valuable ocean education with its customers.

"Our company is devoted to the well being of the ocean that extends beyond the education of our customers. We already actively make green choices for our 'āina to reduce sunscreen use by our customers, avoid the use of harmful cleaning fluids and gas, and we actively clean up the shoreline and retrieve trash. Can we be exempt from paying the fee?"

DAR acknowledges your leadership and commitment to our shoreline health and customer awareness. It makes a difference. However, there are currently no exceptions in the statute to exempt responsibly minded operators.

commercial harbor

#### **HOW THE FUNDS ARE USED**

The purpose of the **Aloha i ke Kai Ocean Stewardship Fee Program** is to direct funding toward action that enhances the health and abundance of our ocean which benefits Hawai'i's residents, visitors, and our ocean economy. A healthy ocean is inextricably linked to a thriving economy and our way of life. Collected fees will go into the Ocean Stewardship Special Fund.

#### Anticipated Revenue Pathways and Administrative Costs of Aloha i ke Kai

	Pathway <b>1</b>	Pathway <b>2</b>	Pathway <b>3</b>
Annual Revenue	\$1 Million	\$3 Million	\$5 Million
Annual Allocation to Stewardship Projects	\$625,700	\$2,225,700	\$3,825,700
Total Allocation to Stewardship Projects over 5 years	\$3,128,500	\$11,128,500	\$19,128,500
Office of Hawaiian Affairs (OHA) receives 20% of Revenue Generated	\$200,000	\$600,000	\$1,000,000
Year 1 Web Portal Fees	\$24,300	\$24,300	\$24,300
Administrative Costs	\$150,000	\$150,000	\$150,000

Administrative Expenses



#### TYPES OF STEWARDSHIP PROJECTS

With a focus on community-led efforts, the fund ensures that every dollar collected through the Aloha i ke Kai, Ocean Stewardship Fee Program goes directly to where it's needed most. The small contribution from ocean-related activities will fund big efforts in marine conservation. Hence, our local businesses and commercial operators aren't just collecting fees; they're sharing the message, teaching everyone about the importance of keeping Hawaii's oceans vibrant and healthy. It's a collective effort to show how sustainable tourism and environmental care can go hand in hand, setting a positive example for others to follow. To manage the varying revenue from the Ocean Stewardship Fee, DAR will allocate a fixed percentage of annual income to different project categories. If the funds collected exceeds the needed funding for a project category, then excess funds would be allocated to other projects.



#### TYPES OF STEWARDSHIP PROJECTS

Statewide Day Use Mooring Buoy Program

ALLOCATION OF FUNDS: 25%

\$200,000

Long term continuous anchoring in one area of reef can lead to potential anchor damage. To mitigate anchor damage at popular destinations, DAR is partnering on a segment of the day-use mooring program in South Maui. Supplemental funds from the Ocean Stewardship Fee could be used to support scaling the day use mooring program to the next high-use priority sites at West Hawai'i, Molokini, and West O'ahu. Expanding partnerships with mooring programs will benefit both commercial and recreational operators who frequent these destinations by offering consistent funding for maintenance and repairs.

Maintenance of Current Pilot Site In South Maui

LOCATION: Maui County

Partnering toward new sites in West Hawai'i, Molokini, and West Oʻahu

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County



Community Stewardship Support and Grants

ALLOCATION OF FUNDS: 20%

\$500,000

Support to community organizations and Hawai'i residents to steward places culturally, environmentally, and economically. Stewardship benefits all ocean users (commercial operators, Hawai'i residents, and community organizations).

Grants for community-led restoration

Grants for community-led monitoring

Capacity building via internships and trainings

Community-led outreach and education

Makai Watch program support

LOCATIONS:

Maui County, Hawaiʻi County, Honolulu City and County, and Kauaʻi County





Coral reef restoration diminishes the direct impact of human use and other anthropogenic stressors on coral reefs through intervention activities that improve reef conditions and promote overall reef resilience.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

Outplanting nursery grown corals onto coral reefs prioritized for resilience and restoration

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Artificial reefs on reef habitat to improve reef habitat complexity

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Emergency restoration response to coral and reef damage events

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Long-term monitoring

LOCATIONS; Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County



With a myriad of land based sources of pollution, it is a tremendous effort to identify and mitigate impacts on coastal water quality. A current focus for the State is increasing water quality monitoring efforts and improving watershed conditions.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

Establishing a Statewide coastal water quality monitoring program with coral health indicators LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Managing watershed health to mitigate threats from sedimentation

LOCATIONS: Maui County (Priority Watershed)

Statewide watershed coordination

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County



Education and outreach efforts are essential to managing, conserving, and restoring Hawai'i's unique aquatic resources. Cultivating an ethic of sustainability and encouraging pono practices among resources are crucial to successful resource management in Hawai'i.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

Threatened and endangered species education campaigns

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Pono practices education campaigns

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

#### **Coral Reef Restoration**

ALLOCATION OF FUNDS: 20%

\$697,908

## Improving Coastal Water Quality

ALLOCATION OF FUNDS: 10%

\$487,112

#### **Education and Outreach**

ALLOCATION OF FUNDS:

estimated total for projects: \$344,560

## Marine Invasive Species Management

ALLOCATION OF FUNDS: 5%

estimated total for projects: \$250,000

Commercial Operator Stewardship Grants

ALLOCATION OF FUNDS: 5%

estimated total for projects: \$100,000

Marine Debris Prevention, Response, and Mitigation

ALLOCATION OF FUNDS: 5%

estimated total for projects: \$ 168,556

Marine invasive species pose a threat to Hawai'i marine life when they outcompete native species for space and food, often smothering the reef and choking out native species. Ocean Stewardship Fee revenue would allow the State to respond rapidly to mitigate invasive species threats early and prevent these species from becoming established in the marine ecosystem.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

#### Control of invasive species

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

#### Invasive species prevention

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

### Funds for community-led invasive species fishing tournaments

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Long term monitoring of marine invasive species LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

Some commercial operators already participate in programming and engagement activities to steward the places they frequent. The Ocean Stewardship Fee would like to support these initiatives and provide funds to support the continued stewardship from commercial operators.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

## Grants for operators to provide education and outreach services

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County





Marine debris is an increasingly impactful threat to marine life health and the overall enjoyment of ocean recreation activities. Ocean Stewardship Fee funds would alleviate marine debris response and mitigation pressure that largely falls on State agencies and communities to address.

General benefit to all ocean users (commercial operators, Hawai'i residents, and community organizations).

#### Ghost net removal and rapid response

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

## Allocating funds to support community-led marine debris clean-ups

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County

## Entangled threatened and endangered species rapid response

LOCATIONS: Maui County, Hawai'i County, Honolulu City and County, and Kaua'i County



#### APPLYING FOR FUNDING

DAR warmly welcomes and looks forward to inviting community-based stewardship organizations, conservation organizations and practitioners, ocean businesses, and community-managed restoration area initiatives to apply for funding.

**Detailed Guidelines and Criteria:** To ensure every funded project aligns with **Aloha i ke Kai's** mission, detailed guidelines and criteria will be provided. DAR invites initiatives that are impactful, feasible, and resonate with the specific conservation needs of the region.

Opening Date and Timeline: The fund will open for applications on specific dates. A clear timeline, including application deadlines and decision milestones, will be communicated well in advance, ensuring applicants can prepare and submit their proposals with clarity and confidence.



#### Steps in the Process, applying for funding

DAR releases its call for applications

Look for the announcement via the online portal and email. The Project category, purpose, location and funding amount will be detailed. Criteria for selection will be articulated, as well as more information on what the application will require.

2 Applications will be reviewed and selected

Applications will be reviewed based on their alignment with the specified project categories, their defined purpose, and the location of implementation.

Notification of Awardees

Successful applicants will be notified of their selection, confirming their project's acceptance into the program. Project timelines and contract compliance will be established (which will include a final report and reporting on specific data metrics to share).

✓ Project Initiation

Upon notification, the commencement of the approved projects will begin, marking the start of their implementation phase.

#### Fees gathered aligns with location allocation

The location of fees collected will align with the location of projects, thereby actively mitigating environmental impact in areas with the most ocean activity. At the program's start, DAR will track usership by county. This will inform the allocation of funds for every project by place, and allow the fund to represent restoration and enhancement needs based on the level of usership in that county.

#### **Look for communications from DAR!**

Look for email communications from DAR in your inbox about applying for funding, and also:

View announcements on:

The online portal: www.AlohaikeKai.Hawaii.gov
The Aloha i ke Kai website: DLNR.Hawaii.gov/AlohaikeKai

For any additional questions about applying for funding, Please call DAR at **(808) 587–0100** Email DAR at **AlohaikeKai@Hawaii.gov** 

#### **Community Advisory Board**

To assist DAR with identification of ocean priorities and project selection, DAR is planning to assemble a committee of diverse voices to inform community stewardship grant funded programs. This committee will highlight diverse perspectives in ocean and commercial operations, including respected lineal descendants of community-managed areas, practitioners of marine science, climate change and ocean conservationists and commercial operators who bring a spirit of service in their community.

This collaborative and committee approach provides the voices and expertise necessary to steward our marine resources effectively and ensures a fair, informed, and comprehensive decision-making process.

# KĀKOU

#### **GUIDANCE ON INTEGRATION INTO OPERATIONS**

DAR understands that adopting a new procedure adds to your administrative workflow, and in a desire to support you to facilitate a smooth transition, DAR offers the following information from your fellow colleagues.

#### **Integrating the Fee into Business Operations**

The following businesses use Point of Sale (POS) software that allow:

- Customization of the tax option
- The creation of an "inventory item" exempt from taxation



## **Denver Coon**, Owner & Operator of *Trilogy Excursions* MAUI, LANA'I

"We've found there is little administrative operative lift for us in determining the fee for our ocean-going vessels. We aligned our existing operational practices, which include maintaining detailed activity logs, with the requirements of the new fee system. Managing a significant number of passengers across various locations, we utilize our existing record-keeping systems to track customer counts. This process aids in the monthly reporting and payment of the Aloha i ke Kai fee, as per the new guidelines."



Holly Crane, Owner & Operator of Anelakai Adventure HAWAI'I ISLAND

"We use the Fare Harbor booking software. Fare Harbor has streamlined their booking system to include the collection of a specific fee for each customer, which allows for easy reporting and calculating and reporting the fee amounts due to the Division of Aquatic Resources (DAR)."



**Erik Stein & Victoria Martocci,** Owner and Operators of Extended Horizons

#### LAHAINA, MAUI

"Our Point-of-Sale (POS) or reservation software system, Xola, allows for easy reporting on both the boating manifest, as well as shoreline tours. The reservation system allows us to easily report or tally the amount of reservations by individual, which will calculate the amount owed to DAR for the Aloha i Ke Kai fee."



Toni Davis, Executive Director & Co-Founder of Activities & Attractions (A3H) & Pono Reservations

MAIII

"I'm also a co-founder of a reservation software system, Pono Reservation. Our reservation system allows us to easily report or tally the amount of reservations by individual, which will calculate the amount they owe DAR for the Aloha i Ke Kai fee."



#### USING THE ONLINE PORTAL FOR EASY PAYMENT

#### The online portal can be accessed at www.AlohaikeKai.Hawaii.gov

#### On the online portal, you can:

Pay the fee Reporting + payments are due on the last day of every month for activity from the previous month. For example, payments for January are due the last day of February. View important announcements from Aloha i ke Kai including the open calls to apply for funding for stewardship projects. View past payments and transaction history Provide feedback about the challenges you are experiencing AND seek support or clarification View the online dashboard to see data on funds collected to-date. When the project process begins, you can see project progress, and be able to access stories of project impacts.

1

Go to the online portal website: Alohaikekai.Hawaii.gov

2

Follow the prompts:

Click "I am an Operator"



Create account by clicking "Sign Up"

You'll need the following to create your account:

- Business Name
- Business Address
- Commercial Use Permit (CUP)
- Vessel name and Vessel number (if applicable)

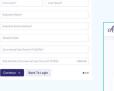
You'll be prompted to confirm account creation by opening the email sent to your email address.



Sign up

Aloha i ke Kai

Welcome to Aloha i ke Kai

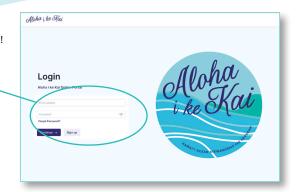




CUP Issue Date	m cure	Opiration Date	
Primary Island of Operation	Business Mailing Address		
Activity Type*		Select all that apply.	United States
SCUBA	Snorkel	Sportfishing	Street Address*
Guided Kayak Tour	Surf School	Whale Watch	Apt, suite, unit, building (optio
Thrill Craft	Ocean Cruise	Other	
			City*

4

Now you're ready to login by entering your name and password!

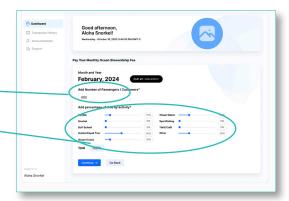


5

Follow the prompts to make payment. You'll arrive at the payment screen.

Enter the number of passengers for the month

Identify the ocean activity by percentage throughout the month



#### Note that...

**Direct bank transfers are free,** Aloha i ke Kai covers the transaction fees. Paying with credit card incurs a nominal credit card transaction fee.

**DAR requests passenger manifests and records** related to the Ocean Stewardship Fee be maintained for at least two years, to accommodate random and periodic checks. This is part of how paying the fee is monitored.

Please know that NO general excise taxes (GET) need be paid on the collected fees as per the Department of Taxation and Attorney General's offices' direction. DAR hopes this simplifies the collection and accounting of the fee.

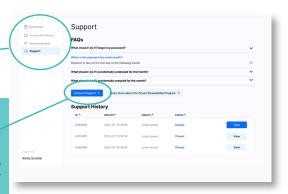
**Payment is due on the last day of every month** for activity from the previous month (For example, payments for users in January are due the last day of February).

6

After payment is successful, look through the menu tabs in the left panel. You can see transaction history, announcements and request support.

Please don't hesitate to reach out for support or concerns.

Please call DAR at (808) 587-0100 Email DAR at AlohaikeKai@Hawaii.gov



# MAOPOPO

### ALOHA I KE KAI PROMOTION, MARKETING, AND BRANDING

#### **DAR-led Promotion**

DAR's promotion of Aloha i ke Kai to visitors and residents has three purposes:

To bring value to your business.

DAR will urge ocean goers to choose businesses engaged in sustainability and participate in the program. DAR aims to elevate your business to discourage support for non-compliant or non-participating entities.

Reiterate and underscore ocean customers' valuable role in supporting ocean health and abundance. Drive understanding of how their ocean recreation connects with ocean stewardship necessary for ocean health.

Lift up all stewards of our ocean. Honor their deep, intimate knowledge of the ocean and their commitment to healthy communities. Share stories of impact and positive change.

#### Aloha i ke Kai Branding Toolkit

The purpose of the branding tools are to signal your business' alignment with ocean restoration, and to lift up your customers' contribution to a more healthy ocean ecosystem.

Aloha i ke Kai branding signals your values & adds market value.

Incorporating Aloha i ke Kai into your branding showcases your values and enhances the perceived value of your offerings, attracting customers who are prepared to pay more for products aligned with their principles. DAR invites you to reinforce your connection to responsible ocean stewardship, something consumers look for and desire in their consumer choices. As a strategic branding effort, Aloha i ke Kai will foster recognition and preference among consumers, both visitors and residents, who prefer companies supporting environmental action.



#### Talk about the Aloha i ke Kai program:

Here are several quick ways to talk about Aloha i ke Kai with your customers or team:

- "Your \$1 makes a powerful wave!"
- "Aloha i ke Kai seeks to revitalize Hawai'i's coasts and oceans."
- "Aloha i ke Kai connects our ocean communities in united vision to grow health and abundance through securing sustainable funding to lift up ocean kuleana and stewardship."



## GREATER OCEAN HEALTH & ABUNDANCE

- Share that "Aloha i ke Kai means Love for our Ocean."
- "The *Kumulipo*, Hawaiʻi's origin story, tells that ALL life begins in the ocean. The ocean is our shared genealogy."
- Share a story about impact of the fund:

Once DAR begins to award the funds, DAR hopes to share stories of the projects underway, and looks forward to sharing the ways **Aloha i ke Kai** is impacting stewardship and ocean health.

#### Share the designed products to cultivate awareness with your customers

Rack card







Website





DLNR.Hawaii.gov/AlohaikeKai

Website shares information about Aloha i ke Kai and invites ocean customers to donate online as well.



Additional rack card and stickers can be mailed to you!

Please contact DAR at (808) 587-0100 or Email DAR at AlohaikeKai@Hawaii.gov

#### Visually Display the Aloha i ke Kai Logo, Typography or #AlohaikeKai Hashtag

- Display the Aloha i ke Kai logo or typography on your website to signal your connection to environmental stewardship
- Incorporate the Aloha i ke Kai logo or typography into your marketing materials
- Utilize the logo, typography, and content from the brochure and rack card in social media posts Use the hashtag #AlohaikeKai
- Share Aloha i ke Kai posts to your Instagram stories as they appear through the DLNR account @HawaiiDLNR
- Share stories about Aloha i ke Kai's impact on our Hawai'i ocean health

#### Download the digital communications toolkit from the Aloha i ke Kai website: DLNR.Hawaii.gov/AlohaikeKai



The toolkit includes: Logos at various sizes and resolutions Brand Style Guidance for best practices on visual display The QR code Digital rack card This brochure in digital form

## LAULIMA

#### **ENFORCEMENT OF ALOHA I KE KAI**

#### What is being done to address the issue of illegal operators?

The **Aloha i ke Kai** program acknowledges the collective concern of illegal operators who are not contributing their fair share to the Ocean Stewardship Fee program to offset their impact of ocean activity. DAR would like to amplify legal operators in these ways:

#### **Promoting Legal Compliance:**

It raises the visibility of compliant businesses, influencing market growth for compliant and therefore branded operations. The branding and promotion of the Aloha i ke Kai program therefore rewards compliant businesses and economically incentivizes noncompliant operations in order to growing eco-tourism market.

#### **Utilizing Special Funds:**

Fees collected are allocated to improve moorings and other stewardship activities, which aids in reducing the impacts of non-compliance and bolsters enforcement efforts tailored to regional needs.

#### Community Involvement Initiatives: The program supports projects like Makai Watch and partnerships with local organizations, encouraging community engagement in developing

region-specific solutions to

illegal activities in marine

areas.

shift the market away from illegal operators by incentivizing legal compliance and enhancing environmental oversight, ultimately promoting a healthier and more sustainable marine environment.

These measures aim to

#### What happens if I do not pay the fee?"

Operators that do not submit on time may be subject to administrative and criminal penalties, including fines up to a one thousand dollar (\$1,000.00) per violation, and in extreme circumstances, commercial use permit revocation.

DAR offers special consideration and engagement to operators based in Lahaina.

## "How will this new fee requirement be enforced fairly and consistently?"

There are no plans for DAR staff to regularly check compliance from commercial operators in-person. At present, DAR expects to coordinate with the Division of Boating and Ocean Recreation (DOBOR) to maintain a current list of the operators subject to collection of the fees under Act 46 and to share with DOBOR the compliance status of those operators, so any compliance or noncompliance with Act 46 can be taken into account during the issuance and reissuance process for commercial use permits and catamaran registration certificates.

## "How will DAR ensure that the information operators submit is accurate?"

DAR can match the numbers submitted with DOBOR's records. The intent is to do spot checks randomly to check for compliance, in hopes to promote honest reporting. This is important so that operators and their customers who fulfill the fee requirements are not left carrying a disproportionate responsibility to the resources because of non-compliant individuals. This is why DAR is requesting that passenger manifests and records related to the Ocean Stewardship Fee be maintained for at least two years, to accommodate these random and periodic checks. DAR may occasionally, at random, request these records from an operator to conduct an accounting to ensure compliance.

#### **ADDITIONAL CONCERNS**

"I already comply with many legal requirements for water-based business operations such carrying insurance, paying excise taxes, and paying the 3% gross receipts payment to DLNR, why must we pay another fee?"

The \$1 Ocean Stewardship Fee is not an additional expense for your business but a pass-through charge collected from customers. This approach ensures that the fee does not financially impact your business, as it is directly contributed by the visitors of the marine environment. The collected funds are allocated to a special fund for ocean stewardship projects, supporting conservation efforts without placing a financial burden on your business operations.

## "I pay the required monthly fees to DOBOR for maintenance of boating and harbor structures and navigation aid, but I don't see evidence that the funds are serving our needs. Why must I also pay the fee?"

The monthly fees you paid to DOBOR contribute to the maintenance of boating and harbor infrastructure, which is a separate and essential responsibility. While these fees are crucial for specific structural and navigational upkeep, you might not always directly observe their impact. On the other hand, the **Aloha i ke Kai** fee is a distinct initiative. It's specifically designed to fund broader conservation projects, directly benefiting the marine environment and ecosystems. This fee serves a different purpose, focusing on sustaining the health of our oceans and supporting stewardship initiatives, which are separate from the infrastructure maintenance covered by DOBOR fees.

#### Limited Lifespan of the Ocean Stewardship Special Fund

The Ocean Stewardship Special Fund, created under Act 46 (SLH 2021), faces expiration after five years, with initial fees contributing to this fund for state ocean resource management. Starting January 1, 2029, these fees will transfer to the State General Fund, lacking designated uses. DAR aims to propose the elimination of this expiration to the Legislature, depending on the success of their fund management system. Alternatively, DAR may seek to redirect funds from the General Fund back to DAR for ocean stewardship. Each role within the Aloha i ke Kai program is crucial for its success, and the commitment and promotion of the program's achievements by businesses and ocean stewardship partners will be key to maintaining the fund and its effective resource allocation.

# KŌKUA

#### DAR IS HERE TO HELP

As a business who supports the ocean stewardship fund, DAR pledges to work collaboratively with you, providing support and resources for effective problem-solving and program success. DAR is here to support you through guidance, resources, and open communication.

#### DAR wants your feedback

Please share any challenges you're encountering so **DAR** can improve the program or online portal. Please provide DAR feedback through:

The online payment portal: <u>AlohaikeKai.Hawaii.gov</u>
The Aloha i ke Kai website: <u>DLNR.Hawaii.gov/AlohaikeKai</u>

## For assistance with the online payment portal or with any administrative concerns:

Please don't hesitate to call or email DAR: (808)587-0100 AlohaikeKai@Hawaii.gov



#### **ENDNOTES**

1 Aarin F. Gross and Carolyn Hicks. "Addressing the Disconnect: A Feasibility Study For An Ocean Stewardship Fee Program In Hawaiʻi" (Conservation International for the State of Hawaiʻi Department of Land and Natural Resources Division of Aquatic Resources, December 2020)

- 2 Pieter van Beukering. "Recreational Survey in Selected Marine Managed Areas in the Main Hawaiian Islands" (National Oceanic and Atmospheric Administration, Coastal Ocean Program, for the University of Hawai'i for the Hawai'i Coral Reef Initiative Research Program, April 30, 2004).
- 3 Bing Lin, et al. "Coral Reefs and Coastal Tourism In Hawaii" (Nature Sustainability, January 9 2023).
- 4 There's broad customer consensus on the importance of responsible ocean stewardship. For instance, a study by Expedia Group Media Solutions' found that 90% of consumers look for sustainable options when traveling, and 70% feel overwhelmed by starting the process, indicating a significant demand for sustainable travel options (Skift, 2022). Research shows that 78% of U.S. consumers are ready to spend more on sustainable products (National Retail Federation, 2023). Global Google searches for sustainable products, experiences, and services surged by approximately 130% from 2017 to 2022 (The Roundup, 2022). Products with environmental, social, and governance (ESG) claims saw a 28% growth over five years, outperforming those without such claims by 8% (McKinsey & Company, 2022).



# Aloha i ke Kai

HAWAI'I OCEAN STEWARDSHIP FEE PROGRAM







Website: DLNR.Hawaii.gov/AlohaikeKai Online Portal: AlohaikeKai.Hawaii.gov

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