

ALOHA I KE KAI

HAWAII OCEAN STEWARDSHIP FEE PROGRAM

2025 ANNUAL REPORT



SCUBA Diver at Shark's Cove, O'ahu
Photo credit: Bert Weeks

PREPARED BY:

The State of Hawai'i
Department of Land and Natural Resources (DLNR)
Division of Aquatic Resources (DAR)

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Surfer
Photo credit: Mark Lee

THE ALOHA I KE KAI HAWAI'I OCEAN STEWARDSHIP PROGRAM

Aloha i ke Kai - the Hawai'i Ocean Stewardship Fee Program 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.

Pursuant to Act 46 (2021), in January 2024 the DLNR-DAR began collecting \$1 per ocean user participating in a commercial ocean recreation activity. These funds are used for a number of stewardship projects that benefit ocean resources and flow back into Hawai'i communities and industries.

This fee is an innovative example of natural resource management, the visitor industry, and the general public working together to protect marine ecosystems for today and for the future. This program is key to bridging the gap between funds available and funds required to effectively manage ocean resources.

In 2024 and early 2025, spending was initially focused on building and improving our online payment portal. As revenue grew, it became possible to expand efforts to establish processes for allocating generated revenue to fund stewardship projects.

A WORD FROM THE ADMINISTRATOR



Brian Neilson
DAR Administrator

The Aloha i ke Kai Ocean Stewardship User Fee Program is a shining example of cross-sector collaboration for the betterment of our ocean. At its core, the Aloha i ke Kai program fills a critical funding gap for DAR to address marine degradation issues stemming from climate change, invasive species, urban development, and human use. These challenges not only impact the health and resilience of our marine ecosystems, but also the communities and businesses that rely on those resources. As these threats continue to grow, the Aloha i ke Kai program will help support the financial needs required to advance our collective marine stewardship goals.

This program's success would not be possible without support from the commercial marine operators and the Ocean Tourism Coalition. To date, this fee has generated over \$3.5 million for restoration and management activities that support business sectors like commercial operators that are reliant on healthy marine resources. DAR will continue to support this reciprocal relationship with the commercial operators that support Aloha i ke Kai and will prioritize day-use mooring buoys, coral reef restoration and management, coastal water quality projects, community and commercial operator stewardship initiatives, and other reef management tactics like invasive species and marine debris removal.

Brian Neilson

BRIAN NEILSON

DIVISION OF AQUATIC RESOURCES ADMINISTRATOR



Molokini Crater
Photo credit: DAR

\$1



\$1 per participant of every marine commercial activity

547



547 compliant commercial operators transferring fees

\$5.2 M



\$5,199,777 generated by ocean user fees as of December 2025

\$1.7 M



\$1,727,013 allocated for marine stewardship as of December 2025

\$735 K



\$735,332 transferred to The Office of Hawaiian Affairs as of December 2025

\$418 K



\$418,398 allocated for website and admin costs as of December 2025

MULTI-STAKEHOLDER BENEFITS

The Aloha i ke Kai program provides benefit to many groups, as detailed below



Natural Resource Managers

This fund supports a diverse portfolio of high-priority marine management initiatives that are significant to long-term stewardship of marine resources in the State of Hawai'i.



Commercial Operators

Aloha i ke Kai actively stewards marine resources critical to many commercial operator business models and supports commercial operator marine stewardship initiatives.



Visitor Industry

Through this program, DAR is building relationships amongst visitor industry stakeholders, natural resource managers, community groups, and the visitors to promote marine stewardship programs and ethos.



Hawai'i Residents

Hawai'i residents are supported by Aloha i ke Kai through opportunities to provide feedback on marine stewardship priorities and support for community driven stewardship projects.



Ocean Users

Ocean users participating in commercial operations and independent ocean users benefit from this fund through the direct support of projects that enhance marine resources for all ocean users.



The Ocean Itself

As the ocean faces mounting threats from climate change, disease, invasive species, low water quality, and fishing pressure, it is imperative to proactively manage resources for resilience to these threats.

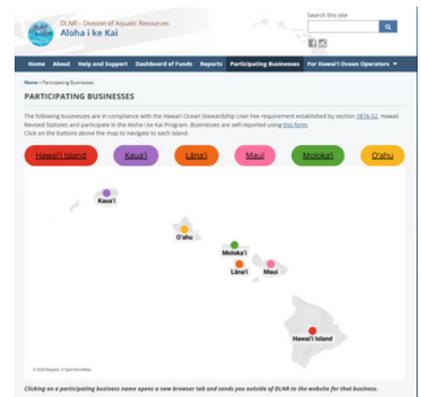
Descriptions (Photo Credits) Top to Bottom: Staff performing net casting survey (DAR), Family on boat (Triology Excursions), Family in water (Triology Excursions), Fishpond keiki event (Loko Ea), Snorkelers (Bert Weeks), Beach in Kīpahulu (DAR)

SUPPORTING COMMERCIAL OPERATORS

The Aloha i ke Kai ocean stewardship user fee would not be possible without commercial operators contributing time, energy, and knowledge to the program.

The Aloha i ke Kai program is dedicated to supporting commercial operators as they implement the fee. In 2025, DAR continued to innovate on ways to improve both the Aloha i ke Kai payment portal app and Aloha i ke Kai DLNR website to improve operator experience and increase access and transparency of information.

Notable updates to the Aloha i ke Kai DAR website include pages dedicated to resources for commercial operators ranging from program information to branding materials such as stickers, flyers, and rack cards. A public list to celebrate participating businesses was also added this year. 41 operators chose to be included during 2025 and a link to the form for qualifying operators who wish to be added can be found on the Participating Businesses page.



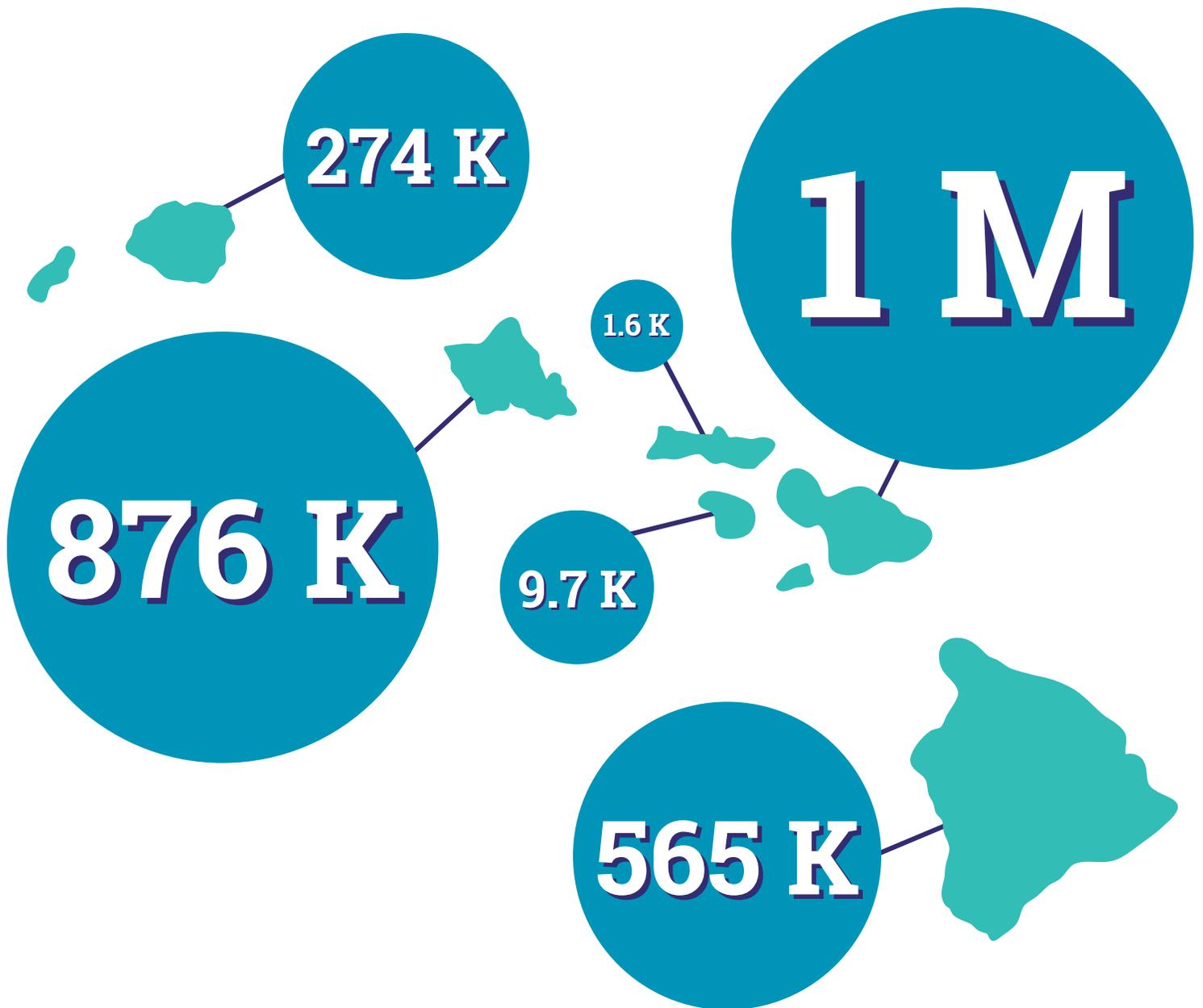
Examples of Aloha i ke Kai Sticker (top left), Aloha i ke Kai Rack Card (top right), and new participating businesses page (bottom)

FUTURE ACTIONS

Develop a process for funding commercial operator stewardship projects through requests for proposals, or other funding mechanisms.

Partner with commercial operators to:

1. Support development of communication materials requested by operators to explain to customers how their fees contribute to marine resource management
2. Support the development of educational materials requested by operators to engage ocean users in ocean friendly and culturally sensitive practices while appreciating ocean resources
3. Host feedback sessions with commercial operators across sectors to gain further insight on how best to support operators



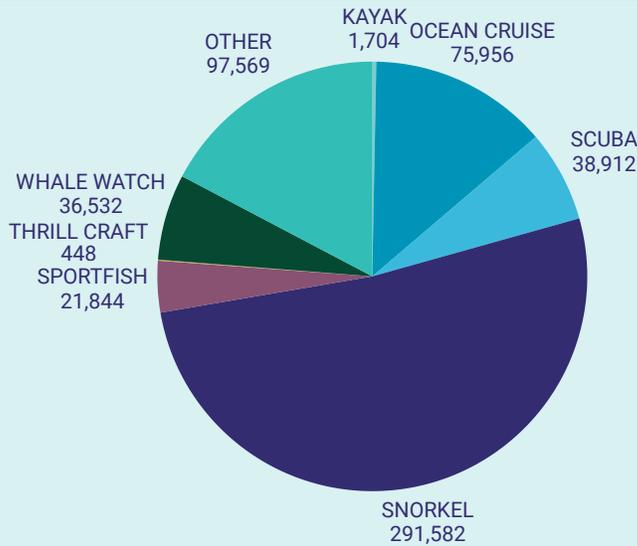
OCEAN USERS ACROSS HAWAI'I

Each island in Hawai'i has a unique relationship with marine commercial operations. Through the Aloha i ke Kai program, the State for the first time is collecting data on how many people are participating in various marine commercial activities, the location of these activities, and how these activities change from season to season. This information will be critical for understanding place-based needs for marine stewardship moving forward and will inform future marine management priorities across the State.

Graphic represents the number of ocean users across Hawai'i in 2025 by island from upper-left to lower-right
 Kaua'i - 274,409 / O'ahu - 875,648 / Moloka'i - 1,572 / Lāna'i - 9,682 / Maui - 1,035,578 / Hawai'i Island - 564,547

ACTIVITIES BY ISLAND

Hawai'i Island

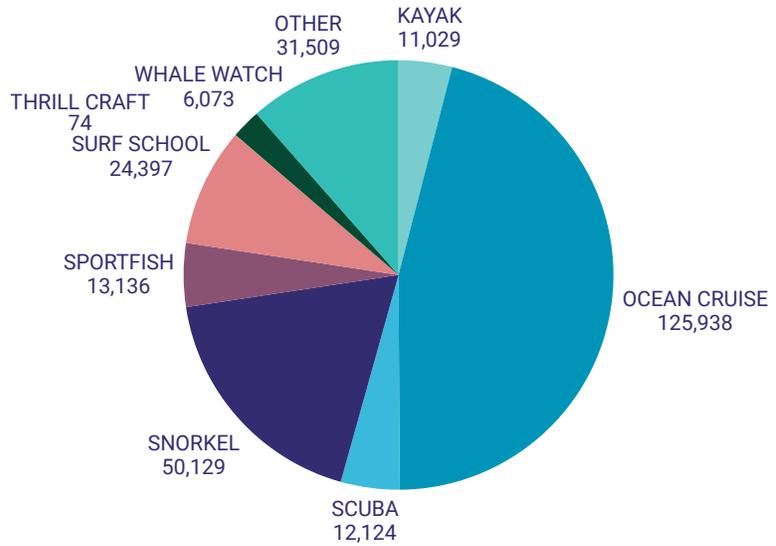


Reported ocean users in 2025:
564,547

Most popular activities in 2025:
Snorkeling - 52%
Other - 17%
Ocean cruising - 14%

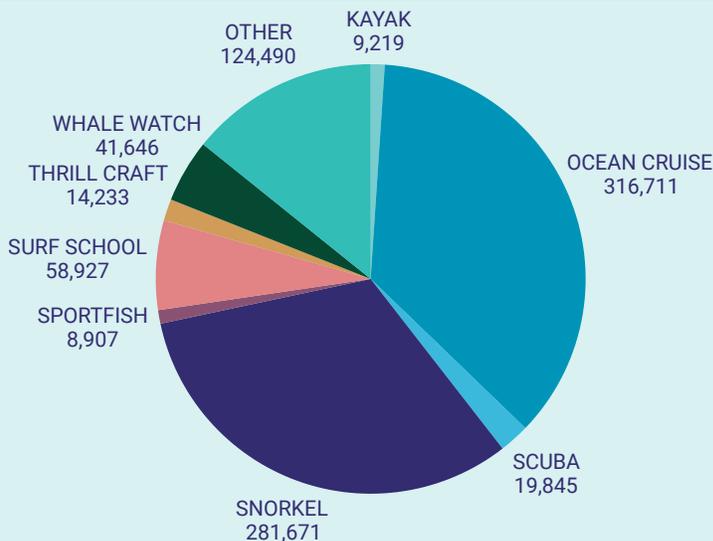
Reported ocean users in 2025:
274,409

Most popular activities in 2025:
Ocean cruising - 46%
Snorkeling - 18%
Other - 12%



Kaua'i

O'ahu

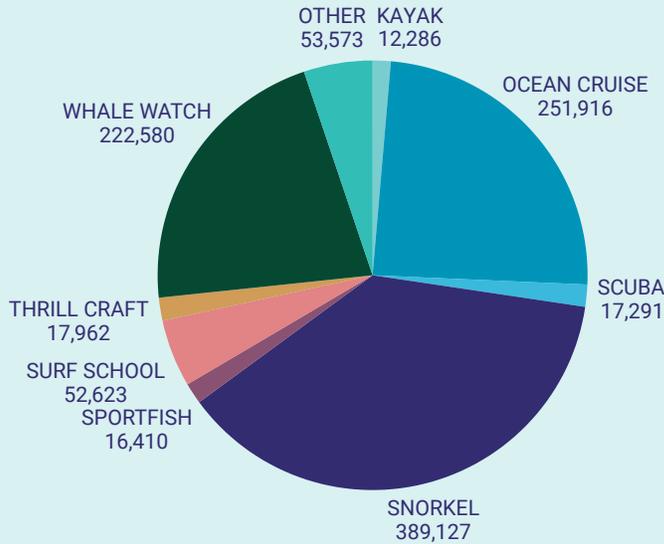


Reported ocean users in 2025:
875,648

Most popular activities in 2025:
Ocean cruising - 36%
Snorkeling - 32%
Other - 14%

ACTIVITIES BY ISLAND

Maui

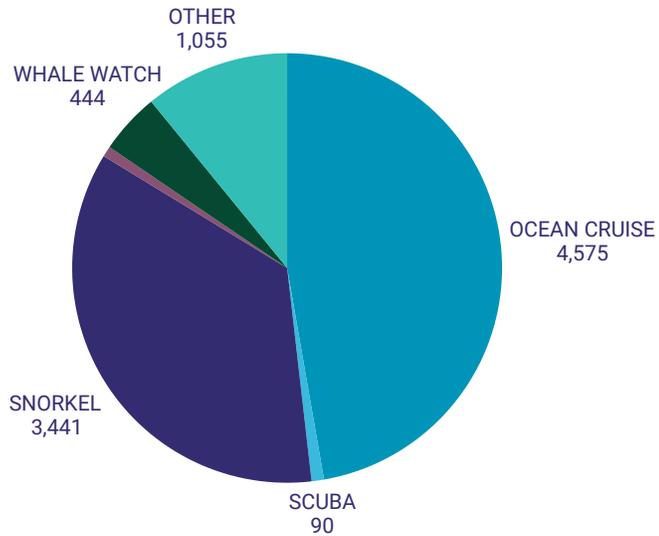


Reported ocean users in 2025:
1,035,578

Most popular activities in 2025:
Snorkeling - 38%
Ocean cruising - 24%
Whale watching - 22%

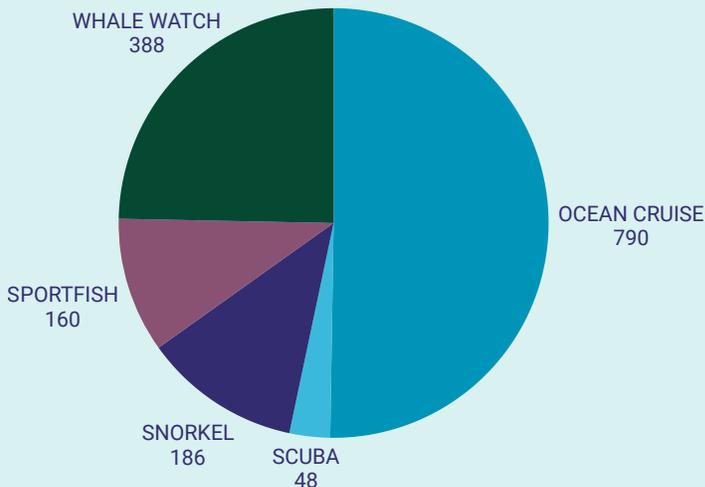
Reported ocean users in 2025:
9,682

Most popular activities in 2025:
Ocean cruising - 47%
Snorkeling - 36%
Other - 11%



Lānaʻi

Molokaʻi



Reported ocean users in 2025:
1,572

Most popular activities in 2025:
Ocean cruising - 50%
Whale watching - 25%
Snorkeling - 12%

SPEND PLAN

STEWARDSHIP PROJECTS

The Aloha i ke Kai program intends to catalyze long term funding commitments to support local stewardship and conservation practices that benefit ocean users and Hawai'i communities. These funds will support ongoing DLNR-DAR projects and new initiatives associated with Aloha i ke Kai. The spend plan pie chart (right) details the following identified project allocation categories:

- 25% Statewide Day Use Mooring Buoy
- 20% Community Stewardship
- 20% Coral Reef Restoration and Management
- 10% Improving Coastal Water Quality
- 10% Education and Outreach
- 5% Marine Invasive Species Management
- 5% Commercial Operator Stewardship
- 5% Marine Debris Prevention, Response, and Mitigation

To learn more, visit the [Aloha i ke Kai overview and spend plan document](#).



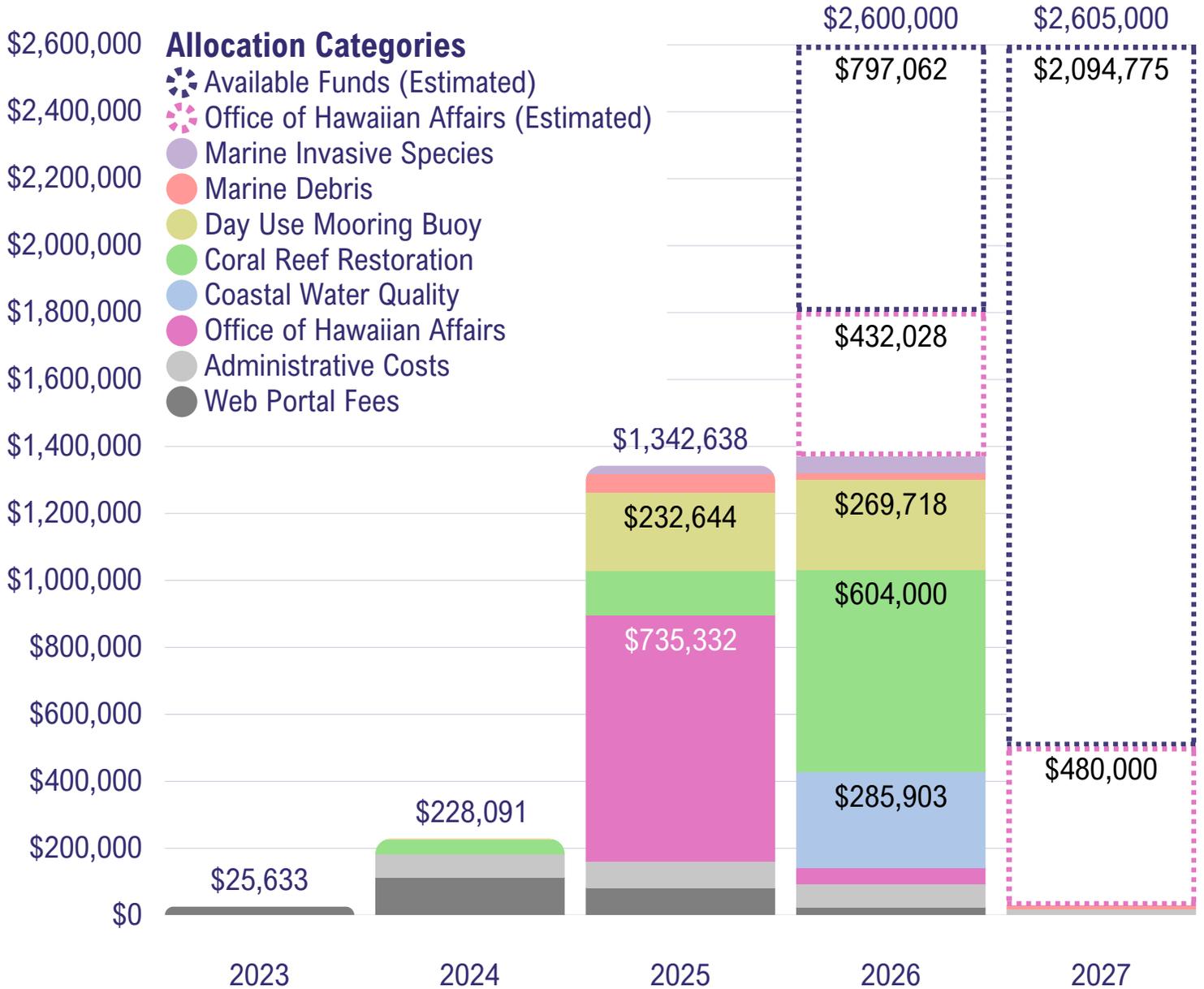
Images above provided by: Mana Means, Stephanie Chang Design Ink, Bert Weeks, DAR, Mark Lee, Malama Kai Foundation, Kim Moa

In addition to marine stewardship projects, revenue generated supports:

1. The Office of Hawaiian Affairs - 20% of total revenue is transferred as ceded lands revenue
2. Management of the Aloha i ke Kai program
3. Maintenance of the Aloha i ke Kai payment portal

ADMINISTRATIVE COSTS

ALLOCATION OF FUNDS



The chart above illustrates the funds spent, encumbered, and projected as of December 2025 by allocation category. As early revenue was being collected, early spending was focused on establishing and enhancing the online payment portal. Additionally, both 2024 and 2025 allocations to the Office of Hawaiian Affairs were completed in 2025 and have transitioned into monthly transfers. This year, enough revenue had been collected to support the pursuit of funding projects with the capacity to spend up to the current annual expenditure ceiling of \$2.6 million. Standard operating procedures to award funds have been established, including DAR leadership review and budget narratives to justify use of funds and connect to place-based needs.

STRATEGIC FUNDING SOLUTIONS

DAY-USE MOORING PROGRAM MANAGEMENT AND EXPANSION

Day-use mooring buoys are intended to provide accessible ocean recreation opportunities while minimizing damage to coral and other marine life in zones of high anchoring pressure by boaters. There are currently 220 permitted day-use mooring buoys across islands in Hawai'i.

Ocean operators identified day-use mooring buoy infrastructure as a primary need for sustainable ocean recreation.

\$502,848 allocated as of December 2025
\$232,644 spent in 2025
Malama Kai Foundation

Spending supports continued coordination and improvement of the statewide day-use mooring buoy program.

Specific project goals include:

- Maintaining a state-wide online database for public access to buoy information and status
- Scheduling inspections and maintenance of existing buoys
- Repairing buoy infrastructure
- Pursuing opportunities for installation of buoys in new locations as prioritized by boaters and commercial operators

STRATEGIC FUNDING SOLUTIONS

CORAL REEF RESTORATION AND MANAGEMENT

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.

\$782,000 allocated as of December 2025
\$133,500 spent in 2025
DAR/Research Corporation of the
University of Hawai'i

Funds support DAR coral nurseries, the outplanting of nursery grown corals onto coral reefs prioritized for resilience and restoration, and long-term monitoring to inform actions.

Spending in 2025 fulfilled a state match requirement to leverage federal funds for DAR to determine the impact of fishing pressure and management actions on coral reef habitats in a project spanning 2024 and 2025.



Kaua'i coral reef survey
Photo credit: DAR

STRATEGIC FUNDING SOLUTIONS

IMPROVING COASTAL WATER QUALITY

With a myriad of land based sources of pollution, it is a tremendous effort to identify and mitigate impacts on coastal water quality.

Statewide coastal water quality monitoring with coral health indicators, managing watershed health to mitigate threats from sedimentation, and Statewide watershed coordination are priorities for the State.

\$285,903 allocated as of December 2025

Spending will increase water quality monitoring efforts to improve watershed conditions.

Projects planned for 2026 include:

- A new Water Quality Coordinator
- Supporting community-based water quality monitoring programs on Maui and Moloka'i
- Stream and nearshore monitoring to examine the relationship between water quality and biological health
- Coastal ecosystem restoration

STRATEGIC FUNDING SOLUTIONS

MARINE INVASIVE SPECIES MANAGEMENT

Marine invasive species pose a threat to marine life in Hawai'i when they outcompete native species for space and food, often smothering the reef and choking out native species.

\$72,772 allocated as of December 2025
\$22,772 spent in 2025
DAR Aquatic Invasive Species Program

Funds support projects to respond rapidly to mitigate invasive species threats early and prevent these species from establishing in the marine ecosystem.

In 2025, spending supported research to address and prevent the spread of the nuisance alga *Chondria tumulosa*.



Sea urchins in transport to be outplanted
Photo credit: DAR

STRATEGIC FUNDING SOLUTIONS

MARINE DEBRIS PREVENTION, RESPONSE, AND MITIGATION

Marine debris is an increasingly impactful threat to marine life health and the overall enjoyment of ocean recreation activities.

Aloha i ke Kai funds alleviate marine debris response and mitigation pressure that largely falls on State agencies and communities to address.

\$79,198 allocated as of December 2025
\$57,761 spent in 2025

Hawai'i Marine Animal Response (\$24,218)

Hawai'i Wildlife Fund (\$10,267)

Ocean Defenders Alliance (\$8,000)

Ho'omalu Ke Kai (\$6,909)

**Hawaii Association for Marine Education
and Research, Inc. (\$5,818)**

Pacific Whale Foundation (\$1,309)

DAR Protected Species Program (\$1,240)

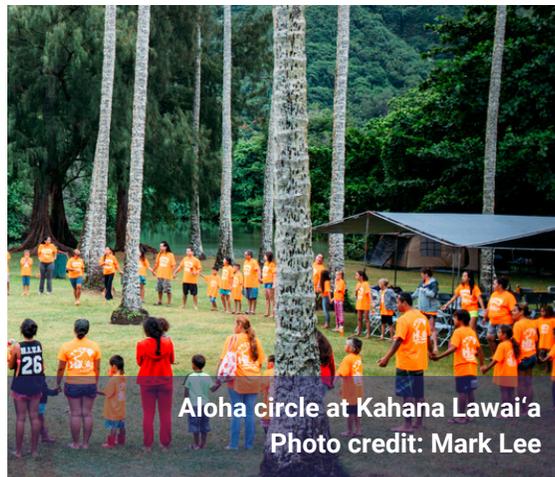
Spending supports the continued upkeep of the marine debris hotline and rapid response programs statewide to remove marine debris.

STRATEGIC FUNDING SOLUTIONS

CATEGORIES AWAITING ALLOCATIONS

COMMUNITY STEWARDSHIP

Supporting the community organizations and Hawai'i residents to steward places culturally, environmentally, and economically relevant to them is a priority use of Aloha i ke Kai funds. DAR is currently developing the mechanism to distribute mini-grants for community groups and anticipate spending to be able to begin in 2026.



Aloha circle at Kahana Lawai'a
Photo credit: Mark Lee

EDUCATION AND OUTREACH

Education and outreach efforts are essential to managing, conserving, and restoring the unique aquatic resources of Hawai'i. Researching protected species also serves this category in order to better inform the creation of educational materials that cultivate an ethic of sustainability and encouraging pono practices.



Outreach at Pilina Kanaloa Ocean Day
Photo credit: DAR

COMMERCIAL OPERATOR STEWARDSHIP

Some commercial operators already participate in programming and engagement activities to steward the places they frequent. DAR is currently developing the mechanism to distribute mini-grants for commercial operators to expand these initiatives and anticipate spending to be possible in 2026.



Teacher talking about urchins
Photo credit: Malama Kai Foundation

OUR GOALS FOR 2026-2030

In the next five years, DAR will continue to focus on building a strong foundation for a long-term program that will support marine resources for decades. Central to this foundation is the continual support of relationships with commercial operators and the visitor industry to promote the Aloha i ke Kai program and marine stewardship that is place-based and responsive to client and business experiences.



Administer grants for community and commercial operator stewardship

DAR is pursuing the establishment of a mini-grant program for community stewardship and commercial operator projects. This external allocation mechanism requires administrative and legal work-flows to ensure streamlined experiences for grant recipients.

Advocate for long-term continuity of the ocean stewardship program

Currently, the Aloha i ke Kai ocean stewardship special fund will sunset at the end of 2030. After that, all collected fees will go into the State general fund, with no guarantee that they will be used for ocean stewardship. DAR is determined to demonstrate effective use of these funds for marine stewardship and to advocate for long-term continuity of the special fund to ensure these user fees remain a resource dedicated to marine resource stewardship.