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**Testimony to the Senate Committee on Ways and Means
Friday, March 28, 2014 at 9:30 A.M.
Conference Room 211, State Capitol**

RE: HOUSE BILL 1714 HD1 SD1 RELATING TO CLIMATE CHANGE

Chair Ige, Vice Chair Kidani, and Members of the Committee:

The Chamber **supports** the intent of HB 1714 HD1 SD1, which is intended to address climate change adaptation by establishing the interagency sea level rise vulnerability and adaptation committee under the department of land and natural resources to create a sea level rise vulnerability and adaptation report that addresses sea level rise impacts statewide to 2050. Tasks the office of planning with establishing and implementing strategic climate adaptation plans and policy recommendations using the sea level rise vulnerability and adaptation report as a framework for addressing other statewide climate impacts identified under Act 286, Session Laws of Hawaii 2012.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the “Voice of Business” in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state’s economic climate and to foster positive action on issues of common concern.

While we understand the need to address concerns regarding climate change, we believe that the approach should be structured around two narrow goals.

The first would be to establish the facts of what impacts climate change may have on our state. There would be a need to differentiate between normal coastal erosion and sea level rise caused by climate change. Once the “science” is understood, the next question would be to project the rate or rates at which both processes are expected to occur over time. This approach and methodology should provide a range of different outcomes depending on certain established scientific variables.

The second goal would be to take the “science” and develop public policies based on mitigating impacts identified from the science. These policies should establish certain milestones which would trigger policy implementation.

The sheer scope and magnitude of this effort should involve more than government officials as there are significant sections of Hawaii’s coastline that are privately owned. Furthermore, much of the State’s valuable visitor industry infrastructure and amenities are located along a narrow band along the State’s coastline. In addition, highly valuable privately owned property are located along the shoreline on all islands. While the bill allows the DLNR



Chamber of Commerce HAWAII

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Chair the “option” of adding other non-government entities to participate in the Committee, our concern is that public policy decisions of this magnitude need to be vetted by both public and private entities on “EQUAL FOOTING.” Having the committee dominated by government officials does not necessarily provide an objective view of the problems and possible solutions. We strongly recommend that the committee be structured with a balance of representatives from both the private and public sector.

Finally, rather than create another layer of government, it may be prudent to engage in a discussion on the “Science” with educators and researchers from the University of Hawaii and other institutions that may have research conducted or in process on the science of climate change. The policy discussions should occur after the science has been obtained.

We would encourage the legislature to consider using existing resources supplemented with private consultants and/or research grants to address the first two phases discussed earlier as an alternative to immediately creating another government entity. Once the science and policies have been identified and developed, the legislature will be in a better position to identify the focus, staffing and funding levels for a new entity to implement or oversee the implementations of the policy recommendations, as necessary.

Thank you for the opportunity to express our views on this matter.



March 27, 2014

Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair
Senate Committee on Ways and Means

Comments, Concerns and Support of Intent of HB 1714, HD1, SD1, Relating to Climate Change (Addresses climate change adaptation by establishing the Interagency Sea Level Rise Vulnerability and Adaptation Committee under the Department of Land and Natural Resources to create a sea level rise vulnerability and adaptation report that addresses sea level rise impacts statewide to 2050. Tasks the Office of Planning with establishing and implementing strategic climate adaptation plans and policy recommendations using the sea level rise vulnerability and adaptation report as a framework for addressing other statewide climate impacts identified under Act 286, Session Laws of Hawaii 2012. Appropriates funds for staffing and resources).

Friday, March 28, 2014, at 9:30 a.m., in Conference Room 211

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF **supports** the intent of HB 1714, HD1, SD1 and respectfully urges your favorable consideration of the concerns expressed and the amendments suggested above.

LURF appreciates the opportunity to support the intent of this measure, to **provide comments** and concerns and to respectfully urge your favorable consideration of LURF's proposed amendments to the membership of the Interagency Sea Level Rise Vulnerability and Adaptation Committee ("Committee"); to broaden it **to include major stakeholders who will be directly affected by sea level rise and the recommendations in the Committee's report.**

HB 1714, HD1, SD1. This measure proposes to address climate change adaptation by establishing the Committee under the Department of Land and Natural Resources (“DLNR”) to create a sea level rise vulnerability and adaptation report that addresses sea level rise impacts statewide to 2050. Tasks the Office of Planning with establishing and implementing strategic climate adaptation plans and policy recommendations using the sea level rise vulnerability and adaptation report as a framework for addressing other statewide climate impacts identified under Act 286, Session Laws of Hawaii 2012. Appropriates funds for staffing and resources.

The Senate Committees on Energy and Environment and Water and Land have amended HB 1714, HD1, to a SD1 version, by:

1. Deleting its contents and inserting the contents of SB 2344, SD1 (Regular Session of Hawaii 2014), which:
 - a. Establishes the Committee within the DLNR;
 - b. Requires the Committee to submit a sea level rise vulnerability and adaptation report for Hawaii through the year 2050 by December 31, 2017;
 - c. Specifies members of the Committee (which EXCLUDES major stakeholders that will be directly affected by climate change and the Committee’s report);**
 - d. Specifies the formulation of the sea level rise vulnerability and adaptation report;
 - e. Requires the Committee to reevaluate the sea level rise vulnerability and adaptation report every five years;
 - f. Requires the Office of Planning to conduct plans and studies and prepare reports to:
 - i. Develop, monitor, and evaluate strategic climate adaptation plans and actionable policy recommendations addressing expected statewide climate change impacts;
 - ii. Provide planning and policy guidance and assistance to state and county agencies regarding climate change; and
 - iii. Publish its findings, recommendations, and progress reports on actions taken no later than December 31, 2017, and its annual report to the Governor and Legislature;
 - g. Appropriates \$58,874 to the Office of Planning for one full-time equivalent (FTE) position and resources to carry out the purposes of this measure;
 - h. Appropriates \$58,874 to the DLNR for staffing, including one FTE position, and resources to carry out the purposes of this measure;
 - i. Appropriates \$400,000 to the DLNR to research and develop a coordinated, multidisciplinary sea level rise vulnerability and adaptation report; and
 - j. Appropriates \$50,000 to the Office of Planning to carry out the purposes of this measure; and
 - k. Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Background. In 2012, the Legislature enacted Act 286, Session Laws of Hawaii 2012, creating climate change adaptation priority guidelines encouraging **collaboration to address climate change and recognizing that it will impact the following: agriculture; conservation lands; coastal and nearshore marine areas; natural and cultural resources; education; energy; higher education; health; historic preservation; water resources; the built environment, such as housing, recreation, transportation; and the economy.**

In 2013, Hawaii's landmark policies were included in the international Majuro Declaration for Climate Leadership when Hawaii signed on as the first sub-national government, after which President Obama appointed Governor Abercrombie as one of eight governors to the State, Local, and Tribal Leaders Task Force on Climate Preparedness and Resilience.

Hawaii is one of the last coastal states that has yet to adopt a statewide climate adaptation plan, yet is among the most vulnerable.

LURF's Position. LURF commends the House Majority for including this measure in its package, and appreciates the opportunity to express its **comments, concerns and support of the intent of HB 1714, HD1, SD1.** This measure is well meaning and necessary; however, LURF's comments and concerns are summarized as follows:

- **The Committee should include a broader diversity of major stakeholders.** The proposed composition of the Committee includes at least twenty government officials, nineteen of which are either political appointees or elected politicians. This measure should be revised to add key stakeholders who would be directly impacted by sea level rise and the recommendations of the proposed Committee report. Appointment of such key stakeholders will provide for a broader diversity of policy and professional backgrounds, greater political independence, and the preservation of institutional knowledge.
- **Stakeholders who would be most affected by sea level rise and adaption should be specifically designated by category as Committee members.** This measure should be amended to mandate that the Committee should include key stakeholders, including, but not limited to representatives from Hawaii's large shoreline land owners, agriculture, tourism and other major industries operating along the shorelines, the U.S. military, shoreline homeowner groups or the realtor organizations, representatives of organizations who do business, or enjoy recreational, conservation and environmental activities along the Hawaii's shorelines; and the construction industry (which will build any adaptive or mitigative structures).

- **The political appointees and elected politicians could result in a “temporary” Committee, which could lack institutional knowledge in the future.** The terms of office of most of the nineteen appointed and elected officials is no longer than four years. The Important Agricultural Lands (IAL) laws, which were passed in 2005 and 2008, illustrate this point. As of 2014, only two major legislative supporters of IAL are still in office and none of the key political appointee department heads remain. The institutional knowledge regarding the IAL lies only with the “major stakeholders” - the Hawaii Farm Bureau Federation, Land Use Research Foundation, Hawaii Agricultural Research Center, and a few employees from Department of Agriculture and the College of Tropical Agriculture and Human Resources at the University of Hawaii.
- **The current Committee composition may generate public perception issues.** The Committee would be comprised of twenty members, and approximately nineteen are political appointees or elected politicians (additional members could include more county, state, or federal officials, who would probably be subordinates to the political appointees on the Committee). LURF has respect for, and confidence in the proposed Committee members, however, given the fact that nineteen of the twenty designated ICAC members are either political appointees or elected politicians, there could be public perception issues.
- **The Department of the Attorney General should be a member of, or advisor to the Committee.** There will be a need for legal counsel, as some of the recommended adaption measures may affect private property rights or existing contractual agreements.
- **Experts hired should have the necessary qualifications, have actual expertise and experience in sea level rise vulnerability, adaption, planning, design and construction; and be selected by a request for proposal or an appropriate state procurement process.** LURF has been involved with similar legislative/government efforts, where the responsible State departments or offices have contracted with organizations or persons who did not have expertise or practical experience. The results were inefficient, ineffective, and unsatisfactory to the actual stakeholders who were directly affected by those government studies.

For the above reasons, LURF **supports the intent of HB 1714, HD1, SD1** and respectfully urges your favorable consideration of the concerns expressed and the amendments suggested above.

Thank you for the opportunity to present testimony regarding this matter.