

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

Senate Committees on Agriculture and Environment and Water and Land

Friday, February 10, 2023

1:00 p.m.

State Capitol, Conference Room 224 and Videoconference

**In Strong Support
S.B. No.1350, Relating to Climate Change**

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and members of the Senate Committees on Agriculture and Environment and Water and Land:

The Office of the Governor strongly supports S.B. No. 1350, Relating to Climate Change.

The dire effects of climate change are among us. As we know, hotter temperatures, severe storms, increased drought and flooding, stronger hurricanes, and warming, rising sea levels are some of the effects of climate change being felt not only globally and nationally, but here in our State. The effects of climate change pose pressing and immediate challenges for our way of life and survival. Addressing climate change is one of the priorities of this Administration.

S.B. No. 1350 appropriates \$100,000,000 to be deposited into the Climate Impact Special Fund and administered by the Hawaii Climate Change Mitigation and Adaptation Commission (Commission). Of that amount, \$80,000,000 will be used for carrying out the operations of the Commission and \$20,000,000 will be transferred to the Sea Level Rise Voluntary Relocation Fund to enable action on the most urgent threats to communities being affected by sea level rise. The total appropriation is significant. It serves as an affirmation that climate change is an immediate threat among us and a preemptive measure that this crisis requires strong commitment and bold investment. The appropriation will be used to fight climate change through targeted investments in green infrastructure and existing conservation efforts.

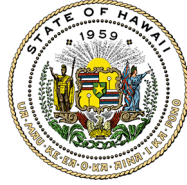
This measure also allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund. This investment is necessary to significantly curtail the effects of climate change.

Testimony of Office of the Governor
S.B. No. 1350
February 10, 2023
Page 2

In 2021, our State became the first state in the nation to declare a climate emergency. S.B. No. 1350 is a continuum and extension of the immediacy of this global problem.

Thank you very much for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KENNETH S. HARA
DIRECTOR OF EMERGENCY
MANAGEMENT

JAMES DS. BARROS
ADMINISTRATOR OF
EMERGENCY MANAGEMENT

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF DEFENSE
KA 'OIHANA PILI KAUA
HAWAI'I EMERGENCY MANAGEMENT AGENCY
4204 DIAMOND HEAD ROAD
HONOLULU, HAWAI'I 96816-4420

STATE OF HAWAI'I
DEPARTMENT OF DEFENSE
HAWAI'I EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 1350
RELATING TO FUNDS

BEFORE THE HOUSE COMMITTEES ON **AGRICULTURE AND ENVIRONMENT AND
WATER AND LAND**

BY

JAMES DS. BARROS
ADMINISTRATOR
HAWAI'I EMERGENCY MANAGEMENT AGENCY

FEBRUARY 7, 2023

Aloha Chair Gabbard, Chair Inouye, Vice-Chair Richards, Vice-Chair Elefante, and members of the committees:

I am James Barros, Administrator of the Hawai'i Emergency Management Agency (HI-EMA).

HI-EMA provides written testimony in **SUPPORT** of SB1350.

This bill would, among other actions, establish a Climate Impact Special Fund and allocate funds thereto; appropriate funds to address impacts of climate change and mitigate further impacts on the State; and allocate funds to a sea level rise voluntary relocation fund

HI-EMA is an all-hazard agency and climate change and sea level rise are hazards to which we may be required to respond. Given the growing challenges which climate change and sea level rise present to Hawai'i, we stand in support of approaches which increase the resources available to address these hazards.

The HI-EMA would additionally note that any plan or program for voluntary relocation of residences away from areas at risk of sea level rise is based on the concept of mitigating that risk. HI-EMA and Hawaii's counties regularly update formal hazard mitigation plans that identify hazards and mitigation opportunities. In addition, Federal Emergency Management Agency grants for hazard mitigation are typically limited to projects which have been identified in those hazard mitigation plans.

In light of this, HI-EMA respectfully suggests that the Committee consider adding language to SB1350 that would direct that any plans and program for voluntary relocation should be aligned with the State and County hazard mitigation plans. This would streamline and support the State's ability to pursue those federal mitigation grants in the event that it chooses to pursue a voluntary relocation

With that comment, we voice our support, and respectfully request your support, for this bill.

Thank you for the opportunity to provide testimony.

James Barros: james.barros@hawaii.gov; 808-733-4300



**STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809**

Co-Chairs:
Chair, DLNR
Director, OPSD

Commissioners:
Chair, Senate AEN
Chair, Senate WTL
Chair, House EEP
Chair, House WAL
Chairperson, HTA
Chairperson, DOA
CEO, OHA
Chairperson, DHHL
Director, DBEDT
Director, DOT
Director, DOH
Chairperson, DOE
Director, C+C DPP
Director, Maui DP
Director, Hawaii DP
Director, Kauai DP
The Adjutant General
Manager, CZM

**Testimony of
Leah Laramee
Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission**

**Before the Senate Committees on
AGRICULTURE AND ENVIRONMENT
&
WATER AND LAND**

**Friday, February 10, 2023
1:00 PM
State Capitol, Via Videoconference, Conference Room 224**

**In support of
Senate Bill 1350
RELATING TO CLIMATE CHANGE**

Senate Bill 1350 establishes the Climate Impact Special Fund, allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriates funds to the Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, allocates funds to the sea level rise voluntary relocation fund. **The Commission supports this measure.**

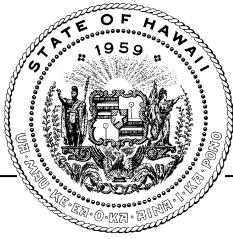
The State of Hawai'i's commitment to uphold the Paris Climate Accord and progressively move towards zero emissions clean economy by 2045 requires that we actively invest in reducing our emissions and mitigate greenhouse gases. In 2021 the State legislature declared a climate emergency yet dedicated significant funding to address climate change. The 2017 Hawaii Sea Level Rise Vulnerability and Adaptation Report estimates the lost value of flooded structures and land at over \$19 billion. Total cost of impacts of climate change are expected to be much higher. In 2022 the Commission identified over \$1,000,000,000 in unfunded climate resiliency and mitigation projects throughout the state.

Climate change is an urgent issue for everyone in Hawai'i. Climate change impacts are being felt statewide and have long-term threats to the State's economy, sustainability, environment, security, culture, and way of life. Successful mitigation and adaptation require both comprehensive education and action to address the impacts of climate change and Hawai'i plays an important role

in raising ambition and must continue to lead by addressing its vulnerabilities and adaptation to climate change.

Establishing the Climate Impact Special Fund and allocating five cents from the Environmental Response, Energy, and Food Security Tax to that fund will support the State's ability to leverage the historic federal funding to address climate change, demonstrate that the State is serious about funding climate mitigation and adaptation actions and empower State, County, and non-governmental organizations to take climate action now.

Mahalo for the opportunity to testify in support of this measure.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SCOTT J. GLENN
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <https://planning.hawaii.gov/>

Statement of
SCOTT GLENN, Director

before the
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
and the
SENATE COMMITTEE ON WATER AND LAND

Friday, February 10, 2023, 1:00 PM
State Capitol, Conference Room 224

in consideration of
SB 1350
RELATING TO CLIMATE CHANGE.

Chair Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Senate Committees on Agriculture and Environment, and Water and Land:

The Office of Planning and Sustainable Development (OPSD) **supports** SB 1350, which establishes the Climate Impact Special Fund, allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriates funds to the Hawai'i Climate Change Mitigation and Adaptation Commission (State Climate Commission) to address impacts of climate change and to mitigate further impacts on the State.

Climate change is an urgent issue for everyone in Hawai'i. Climate change impacts are being felt statewide and have long-term threats to the State's economy, health, environment, security, culture, and way of life, especially to our most vulnerable populations. Successful mitigation and adaptation require both comprehensive education and action to address the impacts of climate change.

To coordinate a statewide response to this challenge, the State Climate Commission includes a broad range of state agencies, legislators, and county representatives to combine policy and implementation expertise across the state. The Commission is headed jointly by the Chairperson of the Board of Land and Natural Resources (BLNR), which administers the Commission, and the Director of the OPSD and includes eight other state agencies. Legislative members include the chairs of the standing committees with subject matter jurisdiction encompassing environmental protection and land use; namely, the Senate Committee on Agriculture and Environment, the Senate Committee on Water and Land, the House Committee on Energy and Environmental Protection, and the House Committee on Water and Land. In addition, the Office of Hawaiian Affairs, the directors of each county planning department, and the OPSD Coastal Zone Management Program Manager serve on the State Climate Commission.

The Legislature has charged the State Climate Commission with providing policy direction, facilitation, coordination, and planning among state and county agencies, federal agencies, and other partners as appropriate; establishing mitigation and adaptation strategies and goals to help guide planning and implementation statewide using the latest scientific analysis and risk assessment to monitor and forecast impacts at the regional, state, and local level; identifying vulnerable people,

communities, industries, ecosystems, and the potential economic ramifications of impacts; identifying existing climate-related efforts at the federal, state, and local levels and recommending how to meet or exceed Hawai'i's state mitigation goals using a liberal approach in preparation, so as to minimize future risk to the people and environment of Hawai'i; and assessing the capacity and availability of existing resources and identifying new sources of revenue necessary to address climate change mitigation and adaptation; and advising the Governor, Legislature, and counties on the economic and budgetary ramifications of climate change impacts, mitigation, and adaptation, among other responsibilities.

Establishing the Climate Impact Special Fund would position Hawai'i through the State Climate Commission to more fully align and invest in transformative, cross-disciplinary solutions, leverage external funding opportunities to Hawai'i's benefit, and demonstrate global leadership that inspires other states and nations to act.

Mahalo for the opportunity to testify in support of this measure.



**Hawaiian
Electric**

**TESTIMONY BEFORE THE SENATE COMMITTEES ON
AGRICULTURE & ENVIRONMENT
AND WATER & LAND**

**SB 1350
RELATING TO CLIMATE CHANGE**

Friday, February 10, 2023
1:00 pm, Agenda Item #4
State Capitol, Conference Room 224

Rick Pinkerton
Director, Asset Planning & Strategy
Hawaiian Electric

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees:

My name is Rick Pinkerton and I am testifying on behalf of Hawaiian Electric in **support of S.B.1350, with suggested amendments.**

S.B. 1350 seeks to establish the Climate Impact Special Fund and to appropriate monies from the fund to address the impacts of climate change and mitigate further impacts on the State through various actions, including resiliency planning and implementation.

Hawaiian Electric offers the following amendments to Section 2 to more fully express the intent of the bill (suggested amendments are underlined and bolded):

- On page 3, starting on line 13: "...vehicles, and appliances; **hardening of electric grid infrastructure; development of grid and make-ready infrastructure for electric vehicle charging**, clean renewable energy technologies and **enabling grid infrastructure**; climate change education and outreach and other activities deemed appropriate by the commission."

In addition, Hawaiian Electric is seeking federal funding to ease the financial burden of climate infrastructure on Hawaii residents. In December 2022, to support its efforts in resiliency, Hawaiian Electric submitted a concept paper to the US Department of Energy (DOE) to apply for funding made available as part of the Infrastructure Investment and Jobs Act (IIJA). Hawaiian Electric subsequently received a favorable response from the DOE "encouraging" the Company to file a full application for

consideration. We believe this to be a recognition on a national scale of the growing need to address climate change in Hawaii. While receiving a letter of encouragement from the DOE does not guarantee that Hawaiian Electric will receive an award grant for our application, it does increase our chances. This, in turn, increases the likelihood that Hawaiian Electric would have the opportunity to utilize a Climate Impact Special Fund as called for by this bill to offset matching costs from an IIJA federal award grant.

Hawaiian Electric agrees that urgent action is needed to invest in climate adaptation and mitigation measures and improve the resilience of our state's infrastructure to ever-increasing threats caused by climate change. Hawaiian Electric is working on several climate adaptation and mitigation efforts that align with state policies that stand to benefit the broader public. The Public Utilities Commission, which oversees Hawaiian Electric's efforts, could carry out supportive actions of the climate change mitigation and adaptation commission to ease the financial burden that the infrastructure required to adapt to and mitigate climate change would impose on the most vulnerable residents. These on-going efforts and projects include:

- Strengthening the resilience of the electric grid. Hawaiian Electric proposed a Climate Adaptation Transmission and Distribution Resilience Program (currently before the Public Utilities Commission in Docket No. 2022-0135). As part of this Program, Hawaiian Electric proposes to make significant investments over a five-year period to adapt its transmission and distribution system to Hawaii's changing climate and growing resilience challenges.
- Accelerating renewable energy resources. Hawaiian Electric continues to issue competitive procurements for new renewable energy projects (e.g., solar, wind and battery energy storage). However, the 100% renewable energy goal cannot be cost-effectively achieved without new transmission infrastructure and land to site future renewable projects. Funding the necessary grid infrastructure, acquisition of and/or planning of land use, including new multi-use projects such as solar and agriculture, would help to accelerate the transition off fossil fuel.
- Electrification of transportation. Hawaiian Electric is responsible for developing rates for charging electric vehicles (EVs) as well as building and maintaining make-ready infrastructure and public charging systems for EV charging. Electrification of transportation is a key mitigation strategy for the state to reduce the carbon impact of transportation, which is responsible for over fifty percent of greenhouse gas emissions. As the State and counties receive funding for the purchase of electric buses, electric vehicles, and charging equipment, the cost of infrastructure upgrades on the utility side to support EV charging is not currently eligible for Federal funding. The cost of infrastructure upgrades needed to support the additional load from vehicle charging falls on the specific customers electrifying their fleet, installing charging stations, or ratepayers.

- Electrification of homes and buildings. Funding programs to ease the financial burden to accelerate the electrification of homes and businesses can significantly reduce carbon emissions in other sectors of the economy.

The reliable provision of electric power is foundational to the state's economy and the wellbeing of our communities. This bill provides opportunities to support urgently needed investments in energy resilience, including utility actions as well as projects initiated by other private and public entities.

Accordingly, Hawaiian Electric supports S.B. 1350 while offering proposed amendments for your consideration. Thank you for the opportunity to testify.



JOSH GREEN, M.D.
GOVERNOR

GWEN S. YAMAMOTO LAU
EXECUTIVE DIRECTOR

HAWAII GREEN INFRASTRUCTURE AUTHORITY

No. 1 Capitol District Building, 250 South Hotel Street, Suite 501, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-3868
Web site: gems.hawaii.gov

**Testimony of
Gwen Yamamoto Lau
Executive Director
Hawaii Green Infrastructure Authority**
before the
Senate Committee on Agriculture and Environment
and the
Senate Committee on Water and Land
February 10, 2023
1:00 PM
State Capitol, Conference Room 224
in consideration of
Senate Bill No. 1350
RELATING TO CLIMATE CHANGE

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees on Agriculture and Environment and on Water and Land:

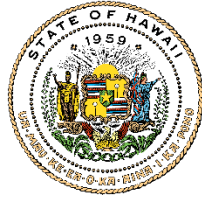
Thank you for the opportunity to testify and provide comments on Senate Bill No. 1350, relating to climate change. The Hawai'i Green Infrastructure Authority (HGIA) **supports** this bill which establishes a Climate Impact Special Fund.

HGIA, Hawaii's Green Bank, works to advance the State's goal of a 100% renewable portfolio standard in energy production to further decarbonize Hawaii's economy and contribute to a more resilient, climate-ready energy grid. As carbon emissions continue to exacerbate the pace of climate change, major efforts are needed to ensure an equitable, sustainable transition to ensuring Hawaii can adapt to climate change. The establishment of a climate impact special fund through activities such as education, carbon sequestration, resiliency planning, and implementation of adaptive policies will be transformative in furthering these ends.

Thank you for this opportunity to testify and provide comments in support of SB1350.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committees on
AGRICULTURE AND ENVIRONMENT
and
WATER AND LAND

Friday, February 10, 2023
1:00 p.m.

State Capitol, Conference Room 224 & Videoconference

In consideration of
SENATE BILL 1350
RELATING TO CLIMATE CHANGE

Senate Bill 1350 proposed to establish the Climate Impact Special Fund, allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriate funds to the Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, allocates funds to the sea level rise voluntary relocation fund. **The Department of Land and Natural Resources (Department) strongly supports this bill.**

Senate Bill 1350 recognizes that the State of Hawai'i is facing a climate emergency that threatens our economy, environment, security, culture, and way of life. The State's response to this emergency will require the cooperation of all branches of State and government, as well as every department and agency within those branches.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multi-jurisdictional effort between twenty different departments, committees, and counties. It is co-chaired by the Chair of the Board of Land and Natural Resources and the Director of the Office of Planning and Sustainable Development. The Commission will have the authority to transfer moneys to other state departments and agencies to carry out the purposes of this fund.

The Department appreciates that the proposed Climate Impact Special Fund will be administered by the Commission. Members of the Commission represent State departments on the frontlines of addressing the impacts of climate change, including the Department of Business, Economic Development, and Tourism; the Board of Agriculture; the Office of Hawaiian Affairs; the Hawaiian Homes Commission;

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

LAURA H.E. KAAKUA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

the Department of Transportation; the Coastal Zone Management Program; and the Department of Health. Each of these departments has critical needs regarding climate mitigation efforts. The Department believes that the Commission is ideally situated to develop a coordinated response that can assist each department in their individual initiatives.

SECTION 6 of Senate Bill 1350 proposes an appropriation of the Climate Impact Special Fund to establish the Sea Level Rise Voluntary Relocation Fund. This fund expands the authority of the State and the Counties and develop funding to begin utilizing managed retreat as an option for voluntarily moving residential development and associated infrastructure away from critically vulnerable areas to locations outside of sea level rise and coastal flooding exposure areas.

This appropriation addresses one of the immediate critical needs in addressing the impacts of rising seas, and acts on recommendations from the Office of Planning and Sustainable Development toward making managed retreat a viable option for improving community resilience and conserving beaches and coastal ecosystems.

The Sea Level Rise Voluntary Relocation Fund is the subject of House Bills 756 and 1092, and Senate Bills 1032 and 1390.

Mahalo for the opportunity to provide testimony in strong support of this measure.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Agriculture and Environment
Senate Committee on Water and Land
Friday, February 10, 2023 at 1:00 p.m.

By

Charles “Chip” Fletcher, PhD
Dean, School of Ocean and Earth Science and Technology

And

Darren T. Lerner, PhD
Director, Sea Grant College Program,
School of Ocean and Earth Science and Technology

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

SB 1350 – RELATING TO CLIMATE CHANGE

Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees:

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) and the Climate Resilience Collaborative (CRC) **support Senate Bill 1350** provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents approved executive biennium budget.

This measure establishes the Climate Impact Special Fund, allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriates funds to the Hawaii Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, allocates funds to the sea level rise voluntary relocation fund.

Hawai'i Sea Grant and CRC support the creation of Climate Impact Special Fund administered by the Hawai'i Climate Change Mitigation and Adaptation Commission because the cost of inaction on climate change is simply too high, and would leave Hawai'i's citizens vulnerable to the impacts of climate change, particularly sea level rise. For instance, the preamble to this measure notes that the *2017 Hawai'i Sea Level Rise Vulnerability and Adaptation Report* “estimated the lost value of flooded structures and land at over \$19 billion.” Further, that estimate does not account for impacts to public roads, other public infrastructure, or loss of cultural, commercial, or societal resources, which may be an order of magnitude greater. The creation of Climate Impact Special

Fund will provide much-needed leverage to secure additional funds and commitments for climate adaptation in Hawai'i and may also support the development of critical climate adaptation plans and strategies at a time when these plans are being urgently requested by Hawai'i's communities and local government.

Hawai'i Sea Grant's mission is to provide integrated research, extension, and education activities that increase understanding and use of ocean and coastal resources of the Hawaiian and Pacific Islands and support the informed personal, policy, and management decisions that are integral to realizing this vision. Hawai'i Sea Grant is part of a national network of 34 university-based programs associated with the National Oceanic and Atmospheric Administration (NOAA) that promote better understanding, conservation, and use of coastal resources.

CRC is a multi-investigator research project at the University of Hawai'i at Mānoa focused on sea level rise adaptation and climate resilience. CRC is updating coastal models that project the impacts of sea level rise.

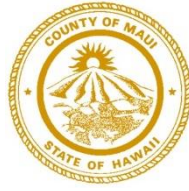
Hawai'i Sea Grant and CRC would be happy to provide updated sea level rise data and projections to the Committee or any lawmaker upon request.

Hawai'i Sea Grant and the Climate Resilience Collaborative support SB 1350.

Thank you for the opportunity to testify on this measure.

RICHARD T. BISSEN, JR.
Mayor

KEKUHAUPIO R. AKANA
Acting Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

February 9, 2023

TO: Honorable Rep. Cedric Asuega Gates, Chair
Honorable Rep. Kirstin Kahaloa, Vice Chair
House Committee on Agriculture and Food Systems

FROM: Richard T. Bissen, Jr., Mayor
Rogerene K.M. Arce, Director of Agriculture

DATE: February 9, 2023

SUBJECT: **SUPPORT OF SB 1350, RELATING TO FOOD SAFETY**

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this bill is to appropriate funds to the State of Hawaii Department of Agriculture to establish and implement a GroupGAP food safety training and certification program.

Our administration **SUPPORTS** this measure for the following reasons:

1. This measure will assist Hawai'i's small farms by reducing the costs of food safety, training, and certification.
2. This measure supports the success and operation of small farms by providing agricultural practices based on national standards.
3. This measure educates small farms on good agricultural practices in preparing and selling food to retail distributors which require GAP certification.

For the foregoing reasons, we offer our **SUPPORT** of this measure.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: FUEL, Earmark Barrel Tax for Climate Impact Special Fund

BILL NUMBER: HB 1052; SB 1350 [GOV-04]

INTRODUCED BY: HB by SAIKI, SB by KOUCHI (Governor's Package)

EXECUTIVE SUMMARY: Establishes the Climate Impact Special Fund, allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriates funds to the Hawai'i Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, allocates funds to the sea level rise voluntary relocation fund.

SYNOPSIS: Adds a new section to chapter 225P, HRS, to establish the climate impact special fund. Moneys in the fund may be used for: (1) The operations of the Hawaii climate change mitigation and adaptation commission; and (2) Activities carried out by the State to address the impact, mitigation, and adaptation of climate change, including but not limited to nature-based solutions; climate smart agriculture; vehicle miles traveled reduction; sea level rise modeling, mapping, planning, adaption, and mitigation; managed retreat; carbon sequestration technologies; electrification of homes, vehicles, and appliances; clean renewable energy technologies; climate change education and outreach; and other activities deemed appropriate by the commission.

Amends section 243-3.5, HRS, to earmark 5 cents per barrel from the barrel tax to go into the fund.

EFFECTIVE DATE: July 1, 2023.

STAFF COMMENTS: The barrel tax, HRS section 243-3.5, now imposes a tax of \$1.05 on each barrel of petroleum product sold to an end user. It also imposes a tax on 19 cents per million BTU on a fossil fuel other than a petroleum product that is sold to an end user. It may be through inadvertence that the earmark only reaches barrel taxes on petroleum products and not on other fossil fuels.

The proposed measure would perpetuate the earmarking of barrel tax revenues. Climate impact mitigation activities may provide some benefit to the State. But does that justify grabbing a pot of barrel tax money without going through the normal budgeting process that also considers sweltering primary schools, underfunded state pensions, or disaster relief for rain-flooded or lava-burnt counties as well as the economic decimation wrought by COVID-19?

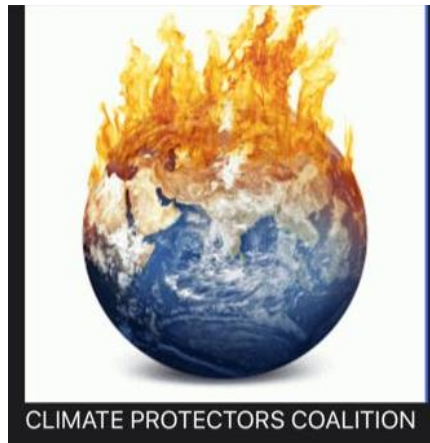
Rather than the continual earmarking of revenues, a direct appropriation of general funds would be preferable. Earmarking revenues from any tax type for a particular purpose decreases transparency and accountability.

Re: HB 1052; SB 1350

Page 2

Next, it should be remembered that revenues diverted for a special purpose, in this case to stuff in a special fund with a broad mission, will not be counted against the state's spending ceiling or debt limit and will obscure the state's true financial condition.

Digested: 2/1/2023



To: The Honorable Chairs Gabbard and Inouye, Vice-chairs Richards and Elefante, and members of the Senate Committees on Agriculture and Environment and Water and Land

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing SB1350 **RELATING TO CLIMATE CHANGE**

Hearing: Friday, February 10, 2023, 1:00 p.m.

Aloha Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and members of the Committees:

The mission of the Climate Protectors Hawai'i is to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate.

The Climate Protectors Hawai'i STRONGLY SUPPORTS SB1350!

The Hawaii Legislature has recognized that we are in a climate emergency. We have set a target in our State law of going carbon negative as soon as practicable but no later than 2045. In order to meet that target, we have to support carbon sequestration and reduce emissions of greenhouse gases much more than we are doing today.

This bill would establish the Climate Impact Special Fund. It would allocate five cents from the Environmental Response, Energy, and Food Security Tax ("barrel

tax”) to that fund, and appropriate funds to the Hawaii Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning. It would also allocate funds to the sea level rise voluntary relocation fund.

This excellent bill moves in the right direction. It would help State agencies plan how to mitigate the climate emergency and plan for resiliency.

We thank the committee for hearing this important measure! We strongly urge your passage of SB1350.

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)

SB-1350

Submitted on: 2/9/2023 8:57:42 AM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
donn viviani	Testifying for Climate Protection and Restoration Initiative	Support	Written Testimony Only

Comments:

I'm writing in support of SB1350 I'm Donn Viviani. My wife and I live in Kailua and have family in Manoa and Aiea. Before retiring, I was the director of the Climate Policy Division at EPA headquarters in DC. I served as Chairman of the Great Lakes Water Quality Board's Toxic Substances Committee and I'm currently the Board President for the Climate Protection and Restoration Initiative. I have a PhD in Chemistry.

I am familiar with the unique threat climate change poses to Hawaii, and specifically the threat to the water surrounding our islands. Climate science is not fancy and it is not at all controversial. I will focus here on the ocean threat, because we're a group of isolated islands at the mercy of the ocean. Some of the ocean effects are imminent and many will be catastrophic. Three things are happening that threaten a collapse of the entire marine food web; could cause an inundation and submersion of parts of our islands; and are providing the energy impetus for extreme and catastrophic weather events. Unless we take action VERY SOON these events will become unstoppable.

First, the sun's light heats the air in the same way a microwave oven heats food. The more CO2 from fossil fuel burning, the more heat. 90% of that heat ends up in the ocean. Hot water expands and so the oceans rise. This heat is conducted to lower depths and that water expands as well and oceans rise more, i.e., the sea level rises. Worse that heat (thermal inertia) will continue to warm the planet for centuries, melting the ice caps and possibly affected the deep ocean currents, these effects would be catastrophic. The sooner we act, the less heat will be transferred to the ocean and we may escape these deadly outcomes.

Hurricanes and cyclones start with evaporation, the warmer the water, the more evaporation, and the more storms and damage to our islands. On Oahu, a six foot rise, projected as early as mid century, would inundate Honolulu up to a few blocks from H1. Storm events will drive the water further inland.

Second, the elevated CO2 in the air from fossil fuel burning, enters the ocean and makes it more acidic. Acidic, corrosive water impairs the growth and survival of animals that build shells. These critters are the oceans primary producers, i.e., they are the base of the food chain and are the marine food webs only source of fatty acids. Because ocean acidification reduces the availability of carbonate ions that marine animals need to calcify their shells and skeletons, CO2 reduces the ability of these animals to build their protective structures. This uses up energy that

they need for reproduction and they will get outcompeted by other species. Destroying the balance that evolved over eons. Acidified waters also can dissolve shells. It's estimated that by 2030 in much of the southern oceans shell would rather dissolve than form.

Third, warmer water holds less dissolved oxygen than colder water. A warm top layer stratifies the ocean making it harder for the transfer of nutrients. Less oxygen and less nutrient availability is a double whammy for for marine organism growth.

It's too late to prevent some level of these effects, but this fund can help us prepare and to the extent the moneys are used for sequestration it they can lessen the thermal inertia in the pipeline and we can avoid some of the more dire consequences.

Thank you for your time

Donn Viviani



Environmental Caucus of
The Democratic Party of Hawai'i

Energy & Climate Action Committee

Friday, February 10, 2023, 1:00 pm

Senate Committees on Agriculture and Environment and on Water and Land

SENATE BILL 1350 – RELATING TO CLIMATE CHANGE

Position: Strong Support

Me ke Aloha, Chairs Gabbard and Inouye, Vice-Chairs Richards and Elefante, and members of the Senate Committees on Agriculture and Environment and on Water and Land:

SB1350 Establishes the Climate Impact Special Fund, allocates five cents per barrel from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, and appropriates funds to the Hawai'i Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, allocates funds to the sea level rise voluntary relocation fund.

The Energy & Climate Action Committee strongly support the intent and the substance of SB1350, in the full understanding that the climate emergency is mounting and that preparedness is essential to maintain public values, including health and safety of people, structures, and landscapes.

We are fortunate to be at a time of budget surplus, but advance preparations would be needed in any case, with those able to contribute pressed to bear an important share of the burden. Our Committee has followed the work of the Climate Change Mitigation & Adaptation Commission with great appreciation for its foresight and creativity. We believe it is the appropriate and responsible agency to receive critical funds in preparing for and responding to the challenges now and later.

Now is the time for a major appropriation to begin getting plans implemented, and our Committee fully endorses the amounts afforded by this bill.

Mahalo for the opportunity to address this matter.

/s/ Charley Ice & Ted Bohlen, Co-Chairs, Energy and Climate Action Committee
Environmental Caucus of the Democratic Party

**Testimony of The Nature Conservancy
Supporting SB 1350, Relating to Climate Change.
Committee on Agriculture and Environment
Committee on Water and Land
Friday, February 10, 2023, 1:00 pm
Conference Room 224 via Videoconference**

Aloha Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees:

The Nature Conservancy (TNC) supports SB 1350, Relating the Climate Change, which would establish the Climate Impact Special Fund, allocate five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund, appropriate funds to the Hawai'i Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning, and allocate funds to the sea level rise voluntary relocation fund.

Hawai'i's environment is the engine that drives our economy and a natural, recreational, and cultural treasure that supports our island lifestyle and livelihoods. At the same time, our native forests and nearshore reefs and fisheries are threatened by stresses including drought, overuse, sedimentation, and invasive species, all of which are exacerbated by climate change.

TNC works to protect and manage the natural systems that sequester carbon, provide our fresh water, and protect our coastlines; all of which reduce the impacts of climate change. However, to fully address the growing impacts of our changing climate, we need bold action. Nature can play a huge role in pulling carbon out of the atmosphere and making our islands and oceans more resilient, but we need to support nature and fund the management of our key ecosystems. This bill will help to support those efforts. The bill will also help to take advantage of Federal programs which require matching funds.

As Hawai'i and the world continues to face the impacts of climate change, support for sustained funding at a scale to meet the needs for conservation and management will be necessary for future generations to benefit from the natural resources that we and past generations have. It is our kuleana to care for the resources to pass on to the future. This bill will help to fulfill that kuleana.

Mahalo for the opportunity to provide testimony on Sb 1350.

The Nature Conservancy of Hawai'i and Palmyra is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 nature preserves and work in over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands. We forge partnerships with government, private parties, and communities to protect forests and coral reefs for their ecological values and for the many benefits they provide to people.

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SB-1350

Submitted on: 2/7/2023 2:45:11 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Individual	Oppose	Written Testimony Only

Comments:

I oppose this Bill.

SB-1350

Submitted on: 2/7/2023 3:41:02 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Support.

SB-1350

Submitted on: 2/7/2023 5:14:10 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dana Keawe	Individual	Support	Written Testimony Only

Comments:

support

SB-1350

Submitted on: 2/8/2023 7:06:32 AM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Tincher	Individual	Support	Written Testimony Only

Comments:

Mahalo for hearing SB1350 from the Governor's package. This investment in addressing climate impacts now will save many times over the amount in avoided costs dealing with climate impacts in the future.

I urge the committee to pass this bill to allocate the necessary funds.

Virginia Tincher

Member of Hawaii Environmental Change Agent

SB-1350

Submitted on: 2/8/2023 7:23:39 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dylan Ramos	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am testifying in support of SB1350 and Hawai'i's movement toward sustainability and resiliency.

Mahalo,
Dylan Ramos
96816

SB-1350

Submitted on: 2/8/2023 9:18:09 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Hawai'i is experiencing a climate emergency. Climate change impacts are being felt statewide and pose long-term threats to the state's economy, environment, and people. Successful mitigation and adaptation of climate change requires both comprehensive study and action to address its impacts.

Climate change action may include looking at the resiliency of the power grid, renewable energy resources, sustainable transportation systems, land use planning, sea level rise, health, natural and cultural resources, sustainable tourism, hazard vulnerability and mitigation, social vulnerability, economic resilience, and climate equity and justice. The breadth of the impact of climate change is such that comprehensive and coordinated efforts need to be undertaken.

I support establishing a Climate Impact Special Fund to address the impacts of climate change and mitigate further impacts on the state through education, carbon sequestration, and resiliency planning and implementation. Please pass SB1350.

SB-1350

Submitted on: 2/9/2023 11:33:58 AM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Harold Adams	Individual	Comments	Remotely Via Zoom

Comments:

Aloha Esteemed Chairs, Vice Chairs, and Committee Members of the Committees, I am a longtime and retired planner from Hawaii, retired in a more affordable community here in the mainland.

I have worked with the Office of State Planning in the past, and since my retirement I followed along with the transition of this great office from the Governor's Office of State Planning, the DBEDT-attached agency Office of Planning, and the excitingly new Office of Planning & Sustainable Development (OPSD)!

I am a strong supporter of taking action on the Climate Crisis.

However, I and other planners within Hawaii's planning community **are becoming increasingly concerned with the OP's Director**. In a hearing on the same bill in the House of Representatives, the Office of Planning Director testified supporting that these important planning, coordination, and climate adaptation funds go to the DLNR.

I, and my planning colleagues, are horrified that the State Planning Director is not advocating to fund the State Office of Planning.

This is reminiscent of the Lingle Administration efforts to dismantle statewide planning and coordination, and the Office of Planning. I had much higher hopes for Governor Green and his Planning Director, but this is becoming deja vu for us "older planners."

This climate special fund and climate funding should not be executed by an advisory Commission attached to the DLNR. The DLNR is not a planning or coordinating agency for the State.

Clearly, urban planners across Hawaii, see that this new OPSD should execute and implement this Climate Special Fund. It is clear that a centralized climate agency like the OPSD can easily identify and organize the climate adaptive projects needed to coordinate and implement with the state's agencies, counties, private landowners, and stakeholders to adapt to Hawaii's changing climate!

From this retired planner who watched with horror in the early 2000s the DLNR, Planning Director, and Governor's Office dismantling the Office of Planning in an organized matter, let us not repeat damaging history.

I support this bill and request that you move this essential funding to the OPSD as the appropriate executing agency.

SB-1350

Submitted on: 2/9/2023 1:29:05 PM

Testimony for AEN on 2/10/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pi'ilani Watkins	Individual	Oppose	In Person

Comments:

**MAKA'ALA KA 'AHA'ŌLELO MOKU'AINA 'O HAWAI'I!!!!!!!!!!
KAHEA!!!!!!!!!!**

I am a cultural practitioner and climate activist. I oppose the climate fund at the DLNR.

I previously support the Office of Planning and Sustainable Development to become the State's climate agency, like Honolulu's Office of Climate Change, Sustainability, and Resilience and Maui's Climate Office. If all the laws say that OPSD is the official state climate agency, then why you giving the money to DLNR? Something smells HAUNA!

Move the climate money and the fund to the OPSD.

Move the fake climate commission to OPSD, make OPSD execute the climate fund.

That makes more sense than this 'ino loa idea. SUPPORT THE STATE'S REAL CLIMATE AGENCY. Not the pretend climate commission with no authority.

DLNR needs to be put on probation and not be trusted with major money until they ho'o pono pono Mauna a Wakea. No can trust the DLNR!