



EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

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

**Senate Committee on Ways and Means**

Thursday, February 27, 2025

10:30 a.m.

State Capitol, Conference Room 211, and Videoconference

**In Support**

**S.B. No. 1395, S.D. 1, Relating to State Funds**

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means:

The Office of the Governor supports S.B. No. 1395, S.D. 1, Relating to State Funds. S.B. No. 1395, S.D. 1, establishes the Climate Mitigation and Resiliency Special Fund and requires the allocation of all earned interest from the Emergency and Budget Reserve Fund to the special fund. The bill also directs a portion of Transient Accommodations Tax revenues to the special fund and provides an expenditure ceiling for the fund.

Among Governor Green's Climate Advisory Team's policy recommendations to increase Hawaii's preparedness for and mitigation of climate-related disasters is the establishment of a climate resilience fund to finance climate and disaster resiliency initiatives. This bill establishes the Climate Mitigation and Resiliency Special Fund (CMRSF) to advance projects addressing the impacts of climate change, including projects that mitigate, adapt to, or increase resiliency against climate change. The placement of the special fund within the Department of Defense, the State's lead for hazard mitigation and disaster readiness, ensures that the fund is administered with an attentiveness to disaster preparedness and mitigation, and particularly the State's needs in these critical areas.

There are many projects that would benefit from CMRSF funding. Below is a sampling of projects.

- Mānā Plains, Kaua'i (\$5,000,000): constructs critical fencing and fire breaks in preparation for harvestable, sustainable native plant products and seeds and supports the growing of seed stock, outplanting, and indigenous agro-ecology for sustainable food and ecosystem services
- Whitmore Village Reservoir Network (\$12,350,000): constructs a reservoir to support wildfire and drought mitigation, enables first responders to combat wildfires, reduces

fuel loads through active agriculture, and stores water to mitigate drought to ensure year-round water availability for the community

- As well as dozens of other projects around the State that are smaller in scale, but equally important, such as \$500,000 to remove highly flammable invasive fountain grass in South Kona and \$3,000,000 to establish a green break around Ukumehame Wetland in West Maui

Given the scale of current and future climate impacts to Hawaii, the Climate Advisory Team advised allocating \$1.375 billion over the next five years to the climate resilience fund. To avoid placing an undue financial burden upon Hawaii residents, the team recommended using interest from the Emergency and Budget Reserve Fund (EBRF), also known as the "Rainy Day Fund," to finance the CMRSF. The EBRF serves as a source of funding for the State in times of emergency, and one of its uses is "[t]o restore facilities destroyed or damaged or services disrupted by disaster in any county" (section 328L-3(d)(3), Hawaii Revised Statutes). Although such restoration is needed to respond to damages, maintaining a dedicated source of funding only for response and recovery functions neglects the dire need for and significant benefits to investing in disaster preparation and resiliency, including climate adaptation and mitigation. The reactive nature of the EBRF, therefore, requires supplementation with a proactive climate-disaster financing mechanism to ensure the State remains one step ahead of, rather than one step behind, the next disaster.

"To maintain levels of programs determined to be essential to public health, safety, welfare, and education" (section 328L-3(d)(1), Hawaii Revised Statutes), as the EBRF is authorized to do, **the State must firstly prevent losses before they occur.** Adapting our infrastructure and systems to build resiliency against disasters is critical to safeguarding the safety, health, and well-being of our State. Further, proactively investing in climate resiliency not only promotes safety and saves lives but is more cost effective than rebuilding after a disaster.

Currently, interest from the EBRF is reinvested back into the EBRF. This bill would redirect all generated interest from the EBRF into the CMRSF. This financing mechanism would not only avoid impacting taxpayers but would do so **without withdrawing any of the EBRF's principal amount**, ensuring the EBRF's reserves of more than \$1.5 billion remain available should the State require their use. Utilizing the EBRF's interest to fund adaptation and resiliency projects now would support the continued strength of the EBRF in the event of an emergency requiring an appropriation since investments now would likely decrease future response and recovery costs, minimizing the amount of principal required to support the State's recovery.

Testimony of the Office of the Governor  
S.B. No. 1395, S.D. 1  
February 27, 2025  
Page 3

Climate mitigation and resiliency are essential to the health, safety, and wellbeing of Hawaii's islands and people. We must fund projects that will strengthen the State's ability to mitigate and adapt to the impacts of climate change without financially burdening Hawaii's residents. S.B. No. 1395, S.D. 1, accomplishes these dual goals through establishing the Climate Mitigation and Resiliency Special Fund and financing it with interest from the Emergency and Budget Reserve Fund.

The Office of the Governor looks forward to continuing discussions on this bill. Thank you for the opportunity to provide testimony on this measure.



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

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
DIRECTOR

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

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

Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Thursday, February 27, 2025, 10:30AM  
State Capitol, Conference Room 211

in consideration of  
**SB 1395, SD1**  
**RELATING TO STATE FUNDS.**

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee on Ways and Means:

The purpose of SB 1395, SD1, is to appropriate funds to establish the Climate Mitigation and Resiliency Special Fund and mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund.

The Office of Planning and Sustainable Development (OPSD) **supports** SB 1395. The OPSD understands the long-term risks to the State's economy, sustainability, environment, culture, and way of life impacted by climate change. The creation of the special fund would provide a needed funding source to help address the costs of climate change.

Thank you for the opportunity to testify on this measure.

Aloha Chair Dela Cruz, Vice Chair Moriwaki and Members of the Senate Committee on Ways and Means,  
Thank you for this opportunity to submit testimony IN SUPPORT of SB1395 SD1

As we all are painfully aware, 18 months ago wildfires devastated Lahaina and parts of upland Maui. Assistance from across the State and the mainland rushed to support Maui during the initial response to those terrible wildfires and into the on-going recovery from their devastating impacts. In particular, FEMA provided substantial response and recovery assistance via several programs, including the Hazard Mitigation Grant Program (HMGP). This grant program provides funding to the state to assist affected communities in building back better and stronger as well as reducing the future impact of natural hazards statewide.

The current, "locked-in" HMGP funding under the Maui Wildfire disaster is almost \$360,000,000. This is 15% of the total FEMA funding under its Public Assistance (PA) program, Individual Assistance (IA) program and certain Mission Assignments (MA) and is in addition to the other FEMA assistance. The HMGP requires a non-federal match which is 25% of the overall project cost. The current estimate of this 25% cost share is \$120,000,000 to match the 75% federal share of \$360,000,000 for an overall total funding amount of \$480,000,000. Historically, finding and securing the local, non-federal match has been a huge impediment to communities wanting to use this funding for their Hazard Mitigation projects. As a result, good projects are not funded or are withdrawn after award for lack of the local match. This problem is exacerbated by FEMA's sometimes lengthy review and approval process, which can take up to 18 months. It is challenging for communities to have their match funding sit idle during FEMA's lengthy and uncertain review, especially given the various competing needs our communities face.

SB1395 SD1 provides an opportunity to address this specific hurdle to the complete and efficient use of HMGP funding. The Climate Mitigation and Resilience Special Fund (CMRSF) could support communities in meeting their HMGP match requirement, returning \$3 of FEMA funding for every \$1 of match. The bill designates the Department of Defense's Emergency Management Agency (HI-EMA) as the agency administering the CMRSF. This is appropriate since HI-EMA currently administers FEMA's recovery programs, including HMGP, PA and IA. HI-EMA's experience working with FEMA on a range of recovery projects and its expertise in evaluating HMGP proposals will facilitate the establishment of appropriate criteria for distributing the CMRSF, effectively and equitably. Those applicants with strong HMGP proposals that meet HI-EMA's criteria and would most benefit from receiving match support could receive match funds. This is especially key for the smaller, economically disadvantaged applicants.

The CMRSF will support our communities in taking advantage of FEMA's HMGP funding, assist Maui and the State in rebuilding safer, stronger, and smarter, and create a more resilient Hawaii by mitigating the impact of natural hazards.

I look forward to your support of SB1395 SD1 and to working together to build a safer, stronger, and more resilient Hawaii.

David Kennard

Chair, State Hazard Mitigation Forum

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT GOVERNOR



## **Hawaii Green Infrastructure Authority**

An Agency of the State of Hawaii

**JAMES KUNANE TOKIOKA**  
CHAIR

**GWEN S YAMAMOTO LAU**  
EXECUTIVE DIRECTOR

**Testimony of**  
**Gwen Yamamoto Lau**  
Executive Director  
**Hawaii Green Infrastructure Authority**  
before the  
**Senate Committee on Ways and Means**  
Thursday, February 27, 2025, 10:30 AM  
State Capitol, Conference Room 211  
in consideration of  
**Senate Bill No. 1395, SD1**  
**RELATING TO STATE FUNDS**

Chair Dela Cruz, Vice Chair Moriwaki and Members of the Committee:

Thank you for the opportunity to testify in **strong support** of SB1395, SD1, which addresses the impacts of climate change through a Climate Mitigation and Resiliency Special Fund.

Serving as a member of the Climate Advisory Team over the past six months has heightened my awareness of the devastating impacts of disasters and underscored the importance of investing in pre-disaster preparedness to mitigate future losses and long-term recovery.

As an island state, we are at ground-zero for climate related disasters. Adding to our vulnerabilities are islanded grids, with the next closest land mass that will be able to provide much needed resources over 2,300 miles away.

The Climate Mitigation and Resiliency Special Fund will provide ongoing funding to:

- Increase resilience in our communities by fortifying homes susceptible to hurricanes, as well as ensuring our communities are provided with necessary resources, capacity building technical assistance (e.g., Vibrant Hawaii, Hawaii Hazards Awareness and Resilience Program; Hawaii Wildfire Management Organization, etc.) to provide pre and post-disaster education, planning and coordination through community-based organizations, to increase a community's readiness, in collaboration with local, state and federal agencies;
- Coordinate statewide planning, collaboration and conduct disaster preparedness exercises and drills on a regular basis to ensure communities, local, state and federal governments are aligned during an actual disaster; and
- Ensure a thriving environment by removing invasive plants that provide fuel for wildfires and fortify natural protections against hurricane and storm surges.

Thank you for this opportunity to testify in strong support of SB 1395, SD1.

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

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



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

P.O. BOX 621  
HONOLULU, HAWAII 96809

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

RYAN K.P. KANAKA'OLE  
FIRST DEPUTY

CIARA W.K. KAHAHANE  
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

Testimony of  
DAWN N.S. CHANG  
Chairperson

Before the Senate Committee on  
WAYS AND MEANS

Thursday, February 27, 2025  
10:30 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of  
SENATE BILL 1395 SD 1  
RELATING TO STATE FUNDS

Senate Bill 1395 Senate Draft 1 establishes the Climate Mitigation and Resiliency Special Fund, directs all earned interest from the Emergency and Budget Reserve Fund to the new special fund, and appropriates funds. **The Department of Land and Natural Resources (Department) supports this measure.**

According to the Climate Advisory Team's (CAT) policy recommendations, Hawai'i's first line of defense against climate change threats is a thriving environment. The CAT report prioritizes invasive species removal to lessen wildfire risk and fortify natural protections such as native forested watersheds and wetlands against storms. Forests and wetlands dramatically reduce erosion and flooding by holding soil and increasing water infiltration. Protecting Hawai'i's native forests is a priority action to secure Hawai'i's water supplies, which are increasingly affected by drought. Forests absorb cloud moisture, increasing water capture up to 50 percent more than rainfall alone. These actions directly mitigate climate change impacts and improve Hawai'i's adaptation to a changing climate. A study commissioned by the Greenhouse Gas Sequestration Task Force identified forest protection as the food and land use solution with the most impactful emissions reduction.

The Department supports the establishment of the Climate Mitigation and Resiliency Special Fund to close the funding gap for managing Hawaii's natural resources. The CAT recommended that environmental investment and stewardship of public lands receive \$137.5 million per year.

For a more detailed understanding of specific projects these funds could support, please explore the Division of Forestry and Wildlife's [interactive story map<sup>\[1\]</sup>](#), highlighting ongoing and potential

environmental stewardship initiatives across the state. Viewers can learn about the location, budget, and descriptions of over 80 potential projects, such as the example project shown below.



**West Hawaii Fence Infrastructure for Fire Prevention and Suppression \$2,500,000**

This project constructs fencing infrastructure and fuel breaks at the Puu Anahulu Game Management Area to protect the increasingly rare native dryland forest. Fencing will allow managed grazing of fuels to create a fuel break, preventing rapid fire starts and spreads in the area. Additionally, this fence will also keep sheep, goats, and pigs off the highway, reducing road strikes.

Mahalo for the opportunity to testify on this measure.



**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, Hawai'i DP  
Director, Kaua'i DP  
The Adjutant General  
Manager, CZM

**Testimony of**  
**LEAH LARAMEE**  
**Climate Change Coordinator on behalf of**  
**Climate Change Mitigation and Adaptation Commission Co-Chair Mary Alice Evans and**  
**Co-Chair Dawn N.S. Chang**

**Before the Senate Committee on**  
**WAYS AND MEANS**

**Thursday, February 27, 2025**  
**10:30 AM**  
**State Capitol, Conference Room 211 & Videoconference**

**In consideration of**  
**SENATE BILL 1395 SENATE DRAFT 1**  
**RELATING TO STATE FUNDS**

Senate Bill 1395 SD1 establishes the Climate Mitigation and Resiliency Special Fund. Appropriates funds and mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund. **The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request and offers the following comments.**

The Commission consists of a multi-jurisdictional effort between 20 different departments, committees, and counties to protect the lives and livelihoods of the people of Hawai'i through accelerate climate action. This bill provides a sustainable funding mechanism to support climate actions across the state to mitigate and recover from the life-threatening impacts of climate change. Climate actions have been severely underfunded with expected costs rising each year of inaction.

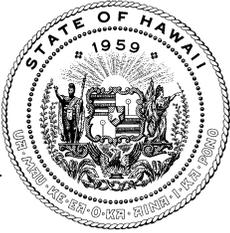
The devastating fires of Lahaina, a singular event exacerbated by climate change, is expected to cost over \$12 billion dollars. Skyrocketing insurance premiums and mass exodus from insurance agents in vulnerable areas are a clear indication that we can no longer ignore the costly impacts of climate. A 2024 study shows that every \$1 spent on climate resilience and preparedness saves communities \$13 in damages, cleanup costs and economic impact.<sup>i</sup> An investment into climate mitigation and resilience is an investment into our people, economy and future.

The Commission’s “Grants to Projects Bridge” (<https://climate.hawaii.gov/grants-to-projects-bridge>) has identified unfunded climate projects totaling nearly \$1 billion annually. These projects were identified as needs by state agencies, included in state and county plans, and submitted by community members ready to implement climate resilience in their communities. The establishment and funding of this fund is an important strategy to close the gap between existing and needed funding for climate disaster preparation and recovery. This program would bolster the State’s existing investments in climate readiness.

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

---

<sup>i</sup> <https://www.uschamber.com/security/the-preparedness-payoff-the-economic-benefits-of-investing-in-climate-resilience>



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:  
Web:

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARK B. GLICK**  
CHIEF ENERGY OFFICER

(808) 451-6648  
energy.hawaii.gov

Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**SENATE COMMITTEE ON WAYS AND MEANS**

Thursday, February 27, 2025  
10:30 AM  
State Capitol, Conference Room 211 and Videoconference

In SUPPORT of  
**SB 1395, SD1**

## **RELATING TO STATE FUNDS.**

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 1395, SD1, an Administration measure, which establishes the Climate Mitigation and Resiliency Special Fund (CMRSF), requires the allocation of all earned interest from the Emergency and Budget Reserve Fund (EBRF) to the newly established CMRSF, allocates a to be determined portion of the Transient Accommodations Tax (TAT) into the CMRSF, and appropriates funds.

HSEO concurs with the Legislature's finding that immediate investments in climate change resilience and mitigation are needed to protect Hawai'i's economy and people. Given the escalating severity of climate change impacts to Hawai'i's fiscal and environmental health, HSEO believes dedicating interest earned from the EBRF is an appropriate and effective vehicle to fund such investments given the EBRF's purpose to support the State during times of emergency, severe economic downturn, or unforeseen reduction in revenues. With a balanced approach, HSEO believes the TAT is an appropriate and effective vehicle to fund such investments given their long-term benefits to Hawai'i's visitor industry.

HSEO stands ready to support the agencies tasked with administration of the CMRSF and EBRF, including providing analysis and recommendations on CMRSF investments; particularly those related to energy and transportation resilience.

As to the fiscal impact, we defer to the Department of Budget & Finance.

Thank you for the opportunity to testify



# Hawai'i Climate Advisory Team

To: Senator Donovan M. Dela Cruz, Chair  
Senator Sharon Y. Moriwaki, Vice Chair  
Senate Committee on Ways and Means

From: The Climate Advisory Team

**SB1395, SD1 - Relating to State Funds - In Strong Support**

Thursday, February 27, 2025, 10:30 a.m., Conference Room 211 & Videoconference

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee on Ways and Means,

Mahalo for the opportunity to testify **in strong support** of SB1395, SD1 relating to state funds. The Climate Mitigation and Resiliency Special Fund is urgently needed to protect Hawai'i residents, businesses, communities, and the environment from the adverse impacts of disasters like hurricanes, wildfires, floods, earthquakes, and tsunamis. Such disasters are happening with increasing frequency and severity. It is imperative for the state to fund resilience projects and programs that strengthen our ability to withstand catastrophic events.

The CAT is a volunteer group, convened by Governor Green to develop community-informed policy recommendations to help make Hawai'i more resilient to natural disasters. The CAT published its findings and recommendations in a [policy paper](#) in January 2025. **The CAT's top priority recommendation is for the state to establish a Climate Mitigation and Resiliency Special Fund, as SB1395, SD1 would do, to ensure dedicated, long-term funding for resilience projects. It is also a top priority of the Governor's administration for the 2025 legislative session.**

The magnitude of financial risk Hawai'i faces from potential disasters cannot be overstated. The ongoing expected loss to all properties in Hawai'i due to disasters is \$14 billion over the next 10 years, according to an actuarial analysis of disaster risk commissioned by the CAT. If no new resilience measures are implemented, losses are expected to increase roughly 25 percent over the next 25 years because of continued climate change. These forecasted losses are strictly financial and do not begin to cover the impact of lives lost, community hardship, or irreparable damage done to Hawai'i's unique cultural fabric. More information about this analysis is available in [Section 3.1 of our Policy Recommendations on Climate Disaster Resilience, Recovery and Funding](#).

Investing in Hawai'i's environmental, infrastructure and community resilience now can significantly reduce expected losses from disasters like hurricanes, wildfires, and floods. FEMA estimates that for every dollar invested, an average of \$6 can be averted in disaster recovery costs. A California study similarly finds that every \$1 million spent annually on vegetation management, a form of environmental resilience work, can save roughly \$3.7 million in costs. Funding efforts that make our land, public



# Hawai'i Climate Advisory Team

infrastructure, residential homes, and communities more capable of weathering future disasters is a sound investment.

The Climate Mitigation and Resiliency Special Fund should be directed to the most urgently needed environment, infrastructure, and community resilience projects in the most at-risk communities:

## Environmental Resilience Projects:

- **Removal of Invasive Plants that Fuel Wildfires:** 25% of Hawai'i's land area is covered in flammable invasive grasses and shrubs. Investing in perpetual management of high-fire-risk vegetation will reduce the risk of wildfires and protect communities from the same kind of devastation that Lahaina experienced. Examples of projects that urgently need funding for wildfire prevention are in South Kona, where highly flammable invasive fountain grass needs to be removed from nearby residential areas (\$500,000), and in West Maui, where a green break must be established to prevent the spread of wildfires to adjacent areas where natural resources, property, and public safety are threatened (\$3 million).
- **Restore and Conserve Natural Projections Against Storm Surge, Tsunamis, and Flooding:** Fortifying mauka and makai ecosystems will significantly increase our protection against inland and marine flooding. One example project that urgently needs funding is the Lumahai Watershed protection project on Kaua'i (\$1 million), which is being damaged by hooved animals, particularly feral pigs. The loss of these forests impacts the communities below, which are threatened by flooding and erosion.

There are dozens of environmental resilience projects across the state in areas that face the highest risk of disaster devastation. Summaries of these projects and their estimated costs are [available from the Department of Land and Natural Resources](#) (DLNR).

## Community and Infrastructure Resilience Projects:

- **Address Critical System Vulnerabilities:** Our state's infrastructure is inadequately built for the known threat of future disasters. The CAT estimates that \$267.5 million over five years is needed to enhance critical systems and address Hawai'i's greatest energy and supply chain vulnerabilities. Examples of projects that urgently need more expedient funding are the Hawai'i Department of Transportation's (HDOT) harbor modernization projects that will address our supply chain vulnerabilities and upgrades to emergency communication systems across the counties and state.
- **Support Community Resilience Hubs:** Resilience hubs support residents before, during, and after emergencies, including disasters. Communities with well-equipped resilience hubs will fare better when disasters strike. The state should invest \$60 million over the next five years to



# Hawai'i Climate Advisory Team

expand and strengthen resilience hubs on every island and work with on-the-ground organizations that have been leading this work over the last several years.

SB1395, SD1 proposes allocating all earned interest from the Emergency and Budget Reserve Fund, also known as the "Rainy Day Fund" to the newly established Climate Mitigation and Resiliency Special Fund. It would also allocate a portion of revenues from the Transient Accommodation Tax (TAT) to the newly established special fund. Importantly, these funding approaches would not place added financial burden on Hawai'i's residents while still providing the needed funding source to address the increasing costs associated with disasters. Achieving robust resilience to disasters will be a long-term, expensive proposition for Hawai'i; creating the Climate Mitigation and Resiliency Special Fund is a critical, bold step we must take to ensure coordinated and consistent resilience work is conducted statewide. Hawai'i cannot afford to wait.

Thank you for the opportunity to testify before your committee in support of SB1395, SD1.

With aloha,

The Climate Advisory Team



TESTIMONY OF  
**DANIEL NĀHO'OPI'I**  
**Interim President & CEO**  
Hawai'i Tourism Authority  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Thursday, February 27, 2025  
10:30 a.m.  
State Capitol, Room 211

In consideration of  
**SB 1395 SD 1**  
**RELATING TO STATE FUNDS**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) offers comments on SB 1395 SD 1, which establishes the Climate Mitigation and Resiliency Special Fund. It requires the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund. In addition, it requires a portion of the revenues from the Transient Accommodations Tax (TAT) to be allocated to the newly established special fund and appropriates funds. The effective date is July 1, 2050.

There are a number of proposals before the Legislature this session that suggest increasing the TAT for specific purpose funds. Generally, we have concerns about increasing the TAT for specific purpose funds while there is a lack of specific dedication of TAT for tourism through destination management, stewardship, and marketing.

Since the TAT is paid predominantly by visitors, a specific dedication to these efforts would clearly demonstrate the visitor's contribution to mitigating visitor impacts and innovating improvements to our tourism product. It would also ensure that HTA has the resources to ensure the visitor industry's continued contributions to Hawai'i's economy – an estimated \$21 billion in visitor spending in 2024, and a corresponding \$2.4 billion in state tax revenues to support a number of public priorities as decided by the Legislature.

Mahalo for the opportunity to share our comments on SB 1395 SD 1.

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



STEPHEN F. LOGAN  
MAJOR GENERAL  
ADJUTANT GENERAL  
KA 'AKUKANA KENELALA

JAMES DS. BARROS  
ADMINISTRATOR OF  
EMERGENCY MANAGEMENT  
KAHU HO'OMALU PŪLIA

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 1395 SD1,  
RELATING TO STATE FUNDS

BEFORE THE SENATE COMMITTEE ON  
**WAYS AND MEANS**

BY

JAMES DS. BARROS  
ADMINISTRATOR  
HAWAI'I EMERGENCY MANAGEMENT AGENCY

**LATE**

FEBRUARY 27, 2025

Aloha Chair Dela Cruz, Vice-Chair Moriwaki, and Members of the Committee:

Thank you for the opportunity to submit a testimony to **SUPPORT** Senate Bill 1395 SD1, as amended.

The Hawai'i Emergency Management Agency continues to strongly support the establishment of the Climate Mitigation and Resiliency Special Fund, recognizing the urgent need to address the impacts of climate change across Hawai'i. The amendments to the bill, such as the allocation of interest earned from the Emergency and Budget Reserve Fund and a portion of the Transient Accommodations Tax (TAT) to this special fund, ensure a dedicated and sustainable source of funding for climate resilience projects. These changes strengthen the fund's long-term viability and increase its capacity to support critical initiatives.

HIEMA believes that advancing this initiative will help strengthen the state's emergency preparedness, and by refining the funding mechanisms, including the new revenue streams - the bill will enhance the state's ability to act quickly and comprehensively. Moreover, the appropriations out of this special fund will be crucial in advancing projects that directly mitigate climate change impacts, increase adaptation measures, and bolster resilience in communities across Hawai'i.

HIEMA is committed to working alongside other entities to implement critical projects that protect our communities, economy, and infrastructure from future climate threats. This collaborative, statewide approach is essential to ensure that Hawai'i remains secure and sustainable in the face of climate change. HIEMA supports this measure, with the understanding that its passage will not negatively impact on the priorities outlined in the Executive Budget.

Thank you for the opportunity to provide testimony in support of Senate Bill 1395 SD1.

James Barros: [james.barros@hawaii.gov](mailto:james.barros@hawaii.gov); 808-733-4300

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Establish New Special Funds Funded by Rainy Day Fund Interest

BILL NUMBER: SB 1395 SD 1

INTRODUCED BY: Senate Committee on Agriculture and Environment

EXECUTIVE SUMMARY: Establishes the Climate Mitigation and Resiliency Special Fund. Mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund. Requires a portion of the revenues from the Transient Accommodations Tax to be allocated to the newly established special fund.

SYNOPSIS: Adds a new chapter to the HRS to establish the climate mitigation and resiliency special fund. Moneys in the climate mitigation and resiliency special fund shall be used to advance projects addressing climate change impacts, including projects that mitigate, adapt to, or increase resiliency against climate change. Moneys may also be used for consultant, personnel, and administrative costs required to develop and implement the aforementioned projects.

Amends section 328L-3, HRS, to redirect the interest earned from the emergency and budget reserve fund to the newly established fund.

Amends Section 237D-6.5, HRS, to allocate an unspecified amount to the newly established fund.

EFFECTIVE DATE: July, 1 2050.

STAFF COMMENTS: This is an Administration bill sponsored by the Office of the Governor and designated GOV-01 (25).

The 1989 Tax Review Commission noted that use of special fund financing is a “departure from Hawaii’s sound fiscal policies and should be avoided.” It also noted that special funds are appropriate where the revenues to the funds maintain some direct connection between a public service and the beneficiary of that service. The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability. It recommended that such programs can be given priority under the normal budget process without having to resort to this type of financing.

Special funds are pots of money that exist for a specific purpose and largely bypass the legislative appropriation process. The existence of hundreds of these special funds has often confounded those who seek answers to simple questions like “How much money does the State have?”

Our Legislature is supposed to be the steward of all state moneys, but special funds make it very easy to lose track of where the money is and how it is being spent. Departments are supposed to tell the Legislature if they have special funds and how much is in them, but let's just say they don't always. Recently, in Report No. 20-01, the State Auditor took DBEDT to task for failing to report \$6.5 million in non-general fund moneys. DBEDT's response? Just that they'll "take corrective action." Not even a "Whoops! We screwed up and promise to do better next time!" This followed closely on the heels of Report No. 19-16, where the Auditor found that \$1.04 million in non-general fund moneys administered by the Attorney General wasn't reported. That department responded that they "shall establish procedures to assure required reports are issued." Is it any wonder that it's getting harder and harder to follow the money and rein in government spending?

Perhaps as the result of the foregoing concerns, the Legislature has itself established criteria for when a special fund may be maintained (HRS section 37-52.3). Those criteria are that the special fund:

- (1) Serves a need, as demonstrated by:
  - (A) The purpose of the program to be supported by the fund;
  - (B) The scope of the program, including financial information on fees to be charged, sources of projected revenue, and costs; and
  - (C) An explanation of why the program cannot be implemented successfully under the general fund appropriation process;
- (2) Reflects a clear nexus between the benefits sought and charges made upon the program users or beneficiaries or a clear link between the program and the sources of revenue, as opposed to serving primarily as a means to provide the program or users with an automatic means of support that is removed from the normal budget and appropriation process;
- (3) Provides an appropriate means of financing for the program or activity that is used only when essential to the successful operation of the program or activity; and
- (4) Demonstrates the capacity to be financially self-sustaining.

Here, there is no indication that the proposed fund can be financially self-sustaining. Establishing this special fund is thus inappropriate, as is the proposed method of financing the fund.

**Testimony of The Nature Conservancy  
Supporting SB 1395 SD1, Relating to Economic Development.  
Committee on Ways and Means  
February 27, 2025 at 10:30 am  
Conference Room 211 and via Videoconference**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committees:

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra supports SB 1395 SD1, which would establish the Climate Mitigation and Resiliency Special Fund and allocate all earned interest from the Emergency and Budget Reserve Fund and a portion of the revenues from the Transient Accommodations Tax to the newly established special fund.

Hawai'i faces surmounting environmental challenges like wildfires, disappearing coastlines, bleached coral reefs, and an underinvestment in the management of these natural and cultural resources. As an island region, our community safety faces growing risk the longer we go without significant funding toward environmental protection and restoration. Hawai'i is in immediate need of additional resources to conserve and protect our ecosystems, native species, coastlines, and the community livelihoods that depend on these resources.

Recent polling funded by the Nature Conservancy and the Trust for Public Land shows that 3 in 4 visitors support paying their appropriate contribution for the protection and restoration of the natural places and resources they use, visit, and experience during their time here. Paired with polling from previous years showing support with over 85% of Hawai'i voters, there is clearly immense public support for this initiative.

SB 1395 SD1 is one clear pathway to protecting, restoring, and enhancing Hawai'i for our local communities and the visitors we share it with, for future generations and beyond. By establishing a clear climate resilience fund, we ensure that our State makes the long-term, sustained investments to care for our 'āina and reduce risk to our communities. However, we encourage the legislature to ensure that the proposed mechanisms in this bill align with the scale of our challenges and make use of the strong expertise already in place in our State government.

Mahalo for the opportunity to testify in support of SB 1395 SD1.

---

*Guided by science, TNC 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 have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.*

---

BOARD OF TRUSTEES

Duke E. Ah Moo Kris Billeter Dr. C. Tana Burkert Anne S. Carter (Chair) Ka'iulani de Silva Daniel J. Dunn Dave Eadie  
Jan Elliott Matt Emerson Hon. Judith Epstein Dr. Alan M. Friedlander Benjy Garfinkle Sean A. Hehir Puni Jackson  
Brett MacNaughton Janet Montag Alicia Moy John R. Sabas Bradley E. Smith Julie Smolinski Vern Yamanaka

*Ihupani Advisory Council:* Christopher J. Benjamin Kenton T. Eldridge Eiichiro Kuwana Duncan MacNaughton  
Jean E. Rolles Crystal K. Rose Nathan E. Smith

*Founders:* Samuel A. Cooke Herbert C. Cornuelle



February 24, 2025

To: Chair Donovan Dela Cruz, Vice Chair Sharon Moriwaki, and the Senate Committee on Ways and Means

Subject: **SB1395 SD1**, Relating to State Funds

Aloha,

I am writing in **support** of **SB1395 SD1**, which asks to establish the Climate Mitigation and Resiliency Special Fund. The measure states that the monies be utilized to forward climate mitigation and adaptation projects, as well as initiatives that increase resilience against climate change. It is pertinent that we act now to reduce future costs of the climate emergency that threaten the State's economy, environmental sustainability, and agriculture sector.

Even if we act now, some impacts of climate change are unavoidable. As outlined in [Climate Ready O'ahu](#), there are actions that we can take not just at a city level, but also at a state level, to help mitigate future hazards and adapt to the impacts of climate change that we are both currently and expected to experience. The caveat is that financial support, education, and resource sharing is necessary to pilot such initiatives.

The threats of climate change are already impacting Hawai'i, especially the State's farmers, ranchers, and aquaculturists. Seasonal weather patterns are changing which put these vital components of our communities at risk of severe drought, harder to predict fires, intense storms and floods, and other extreme weather events. According to the [NOAA National Centers for Environmental Information State Climate Summary](#) for Hawai'i, temperatures have increased across the island chain by 2°F since 1950, with significant warming over the last decade. Unprecedented warming is projected for the next century, especially if greenhouse gas emissions aren't reduced. Warming temperatures coupled with reduced rainfall pose a particular danger for native plant and animal ecosystems including risk of extinction and frequency of wildfires. The future of Hawai'i agriculture depends on investments in research about crops that can withstand the projected increase in temperature and droughts.

---

**The Food+ Policy internship** develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

[https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGYY39\\_IDfidH0Ag/view](https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGYY39_IDfidH0Ag/view)

<https://statesummaries.ncics.org/chapter/hi/>



Additionally, the [State Climate Summary](#) states that since 1900, rates of sea level rise ranged from 0.6 inches to 1.6 inches per decade for the Hawaiian Islands which has caused severe coastal erosion and increased risk of tidal floods. Over the last century, at least 70% of Hawai'i's beaches have been eroded and shoreline recession is projected to double by 2050. These historically unprecedented rates will negatively affect agriculture, coastal ecosystems and management systems, and tourism which will cause considerable economic damage.

Until recent years, there have been few systemic efforts to advance climate change mitigation, adaptation, and resiliency projects in Hawai'i. It is critical to appropriate funds for climate-smart initiatives which benefit our economy, ecosystems, and communities. It is our kuleana to invest in mitigation efforts as soon as possible to protect our resources mauka to makai, and protect the generations to come from unnecessary climate-related suffering.

I urge the committee to **pass** this measure. Thank you for the opportunity to testify on this issue.

Mahalo,  
Lea iaea & the Food+ Policy Team  
#fixourfoodsystem

---

**The Food+ Policy internship** develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.

[https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGY39\\_IDfidH0Ag/view](https://drive.google.com/file/d/1YOQSw1ERdJLC4iFegGY39_IDfidH0Ag/view)  
<https://statesummaries.ncics.org/chapter/hi/>



**February 21, 2025**

## **Testimony in Support of SB1395 – Climate Mitigation and Resiliency Special Fund**

**Committee: Agriculture and Environment**

**Submitted by: Saman Dias, West Maui Resident**

**Organization: Maui Bicycling League / West Maui Greenway Advocate**

**Email: maui@hbl.org**

**Chair Gabbard, Vice Chair Richards, and Members of the Senate Committee on Agriculture and Environment**

My name is **Saman Dias**, a **West Maui resident**, and I am submitting testimony in **strong support** of **SB1395** which would establish a **Climate Mitigation and Resiliency Special Fund**. I am speaking from **tragic firsthand experience** about the **urgent need** for statewide emergency evacuation infrastructure.

The **Lahaina Fire** was one of the **deadliest wildfires in U.S. history**, and we all witnessed the **catastrophic consequences of having limited evacuation routes**. **Many lives could have been saved if additional inland escape routes had been in place.**

One **cost-effective** and **immediately viable** solution is to **repurpose existing abandoned cane haul roads** to serve as **fire barriers, emergency evacuation routes, and multi-use pathways**. This is precisely what we are advocating for with the **West Maui Greenway (WMG)**—a **25-mile multi-use path** that would not only reduce carbon emissions but also serve as a **lifesaving corridor in times of disaster**.

### **The Urgent Need for Emergency Evacuation Routes Across Hawaii**

The Lahaina tragedy was not an isolated event. Wildfire risks are increasing **across all islands**, with **Palisades on O‘ahu, South Kohala on the Big Island, and other vulnerable areas** facing similar threats. **Hawaii must act now to prepare for future disasters by funding statewide emergency evacuation routes.**

By leveraging **existing cane haul roads**, we can:

- **Ensure safer evacuation during wildfires, hurricanes, and tsunamis**
- **Provide inland escape routes that are less vulnerable to flooding and congestion**
- **Strengthen community resilience with firebreaks and alternative transportation corridors**
- **Be cost-effective by using existing infrastructure instead of new road construction**

## **Call to Action**

I urge you to **pass SB1395** and **ensure that funds from the Climate Mitigation and Resiliency Special Fund are allocated to support emergency evacuation projects like the West Maui Greenway**— not only for Maui but **throughout the state of Hawaii**.

**We cannot afford to wait** for another tragedy to act. Let's **prioritize lifesaving infrastructure now** and build a **safer, more resilient Hawaii**.

**Mahalo for your time and commitment to protecting our communities.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Saman Dias', written in a cursive style.

Saman Dias  
Chair, Maui Bicycling League

**Together, we can make our streets safer for everyone.**

Saman Dias  
**West Maui Resident**  
**Chair Maui Bicycling League**  
808-209-2542  
[maui@hbl.org](mailto:maui@hbl.org)  
[www.mauibike.org](http://www.mauibike.org)



Testimony **in Opposition** to Climate Special Funds

The residents of Hawaii are fed up with being coerced into funding government extravagances at their expense. SB1395/HB1076 is an obvious overreach of state power that would mandate financial contributions from hardworking individuals to fuel government whims. Our emergency funds are allocated for true emergencies.

This proposed bill seeks to siphon off resources from taxpayers under the guise of addressing climate concerns. However, the citizens of Hawaii are tired of shouldering the burden of government inefficiency and misplaced priorities. We demand transparency and accountability in our financial affairs, and this bill fails to provide clear numbers, directives, or safeguards to ensure the responsible allocation of public funds.

Hawaii's people understand the necessity of preserving emergency reserves for genuine crises and the need to preserve fiscal prudence for when it truly matters. It is time for our leaders to prioritize the rights and interests of the people over their own pet projects and bureaucratic ambitions. How can you approve a bill with no specified amounts anyway? At best, it's irresponsible. At worst, it's *very shady!*

**Oppose this measure** and heed the pressing concerns of the people of Hawaii. Uphold the principles of fiscal responsibility, prioritize emergency readiness, and respect the hard-earned income of your constituents. Let's keep Hawaii from becoming a playground for government excesses and financial coercion.

In Freedom,  
Abbra Green  
[lphisecretary@gmail.com](mailto:lphisecretary@gmail.com)



## HAWAI'I LAND TRUST

Senate Committee on Ways and Means

Date: Thursday, February 27, 2025

Time: 10:30 AM

Place: Via Videoconference & Conference Room 211

### **Re: SUPPORT – SB1395 SD1, Relating to State Funds**

Aloha e Luna Ho'omalua Dela Cruz, Hope Luna Ho'omalua Moriwaki, a me nā Lālā o ke Kōmike:

Hawai'i Land Trust **SUPPORTS** SB1395 SD1, which establishes the Climate Mitigation and Resiliency Special Fund to address the impacts of climate change. This measure provides critical tools and funding to help Hawai'i adapt to and mitigate the growing threats of climate change while building resilience for our future.

Hawai'i's communities, ecosystems, and cultural resources are already feeling the effects of climate change, from rising sea levels to extreme weather events and ecosystem disruptions. These challenges jeopardize the well-being of our people, our 'āina, and the sustainability of our economy. SB 1395 recognizes the urgency of this crisis by creating a dedicated funding source to support projects that mitigate and adapt to climate impacts.

The Climate Mitigation and Resiliency Special Fund ensures that Hawai'i can take meaningful action now to address climate challenges through investments in projects that protect our natural and cultural resources, enhance disaster preparedness, and support vulnerable communities.

I ola ka 'āina, ola kākou nei. Healthy lands support thriving communities. SB 1395 is essential to safeguard Hawai'i's future and ensure that our communities and 'āina can thrive in the face of climate change.

Mahalo for this opportunity to testify,

**'Olu Campbell**

President and Chief Executive Officer



SENATE COMMITTEE ON WAYS & MEANS  
February 27, 2025, 10:30 a.m., Room 408

Testimony in strong support of SB 1395 SD1

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the Ways & Means Committee:

As partners of Climate Hawai'i, an initiative of the Hawai'i Executive Collaborative (HEC), we strongly support SB 1395, which establishes the Climate Mitigation and Resiliency Special Fund to provide dedicated, long-term funding for projects that reduce climate disaster risks, strengthen community resilience, and protect Hawai'i's environment and economy from the escalating impacts of climate change. By using the interest from the state's Emergency and Budget Reserve Fund, or "Rainy Day Fund," this measure ensures that Hawai'i can invest in resilience without placing new financial burdens on residents.

## Why the Climate Mitigation and Resiliency Fund is Essential

Hawai'i is on the frontlines of the climate crisis. Rising sea levels, extreme weather, wildfires, and prolonged droughts threaten communities, infrastructure, and natural resources. Without proactive investment, climate-related disasters could cause billions of dollars in economic losses in the coming decades. Senate Bil 1395 establishes a stable, state-level funding source to support climate adaptation and mitigation efforts, resilient infrastructure investments, ecosystem restoration, and community-driven preparedness initiatives—all critical to safeguarding Hawai'i's future.

Beyond immediate disaster response, this fund allows for long-term, proactive planning, ensuring our state is not solely dependent on unpredictable and often insufficient federal grants. Investing in resilience now is a financially responsible approach—every \$1 spent on adaptation saves \$6 in future disaster costs. Yet historically, climate mitigation has been underfunded compared to post-disaster recovery. Senate Bil 1395 corrects this imbalance by providing consistent, dedicated resources to strengthen Hawai'i's ability to withstand climate-related threats.

### Key Provisions of SB 1395

- Establishes the Climate Mitigation and Resiliency Special Fund under the Department of Defense, ensuring a coordinated, strategic approach to disaster mitigation.
- Allocates all earned interest from the Emergency and Budget Reserve Fund ("Rainy Day Fund") to finance climate resilience projects.
- Avoids new taxes or burdens on residents, leveraging existing state resources without depleting the principal of the Rainy Day Fund.
- Supports long-term, proactive planning rather than relying solely on costly post-disaster recovery efforts.

### A Community-Centered Approach to Resilience

For Hawai'i to maximize the impact of this fund, resources must reach the communities most at risk. We urge the Legislature to ensure that vulnerable areas, particularly those prone to wildfires, flooding, and coastal erosion, receive priority funding. Local expertise and Indigenous knowledge must also play a central role, with partnerships that support Native Hawaiian stewardship practices, community-based organizations, and locally driven resilience efforts. Training programs, home retrofits, and neighborhood-scale emergency preparedness initiatives will be essential to making Hawai'i's communities more climate-resilient from the ground up.

### The Cost of Inaction

Without this fund, Hawai'i will remain dangerously exposed to climate disasters, with no dedicated mechanism to mitigate risks. The cost of inaction is immense—higher taxpayer burdens from repeated emergency response, lost economic opportunities as insurance costs rise, and increased

disruptions for businesses and communities. Investing in resilience today prevents greater losses tomorrow, ensuring a more sustainable and prepared future for Hawai'i's people and economy.

## **A Needed Solution for Hawai'i's Climate-Resilient Future**

Senate Bil 1395 represents a commonsense, fiscally responsible approach to protecting lives, reducing costs, and strengthening Hawai'i's ability to adapt to a changing climate. We strongly urge the Legislature to pass this measure to provide the long-term investment Hawai'i urgently needs.

Mahalo for your leadership and the opportunity to testify.

### **About the Hawai'i Executive Collaborative**

*The Hawai'i Executive Collaborative (HEC) is a nonprofit organization that serves as a convener and provides backbone support to leaders from different sectors who want to help build a more resilient economy and state. HEC members believe in the power of acting collectively and focus their energies and resources on areas where immediate and systemic changes will benefit Hawai'i and the world. For more information on Climate Hawai'i's real-world, high-impact solutions, please visit [climatehawaii.earth](http://climatehawaii.earth).*

### **Hawai'i Executive Collaborative Climate Hawai'i partners supporting this testimony:**

- Hawaiian Electric
- Zephyr
- aio
- Sun Noodle
- County of Kaua'i
- Hua Nani Partners
- Chaminade University
- Manoa Valley Theatre
- Young Brothers
- Blue Planet Foundation
- Bowers + Kubota
- HEI
- Catholic Charities Hawaii
- Elemental Impact
- AES Hawai'i



**LATE**

CATHOLIC CHARITIES HAWAII

**TESTIMONY IN SUPPORT OF SB 1395, SD1: RELATING TO STATE FUNDS**

TO: Senate Committee on Ways and Means

FROM: Tina Andrade, President and CEO, Catholic Charities Hawaii

**Hearing: Thursday, 2/27/25; 10:30 am;** Videoconference and Room 211

Chair Dela Cruz, Vice Chair Moriwaki, and Members, Committee on Ways and Means:

Catholic Charities Hawaii **supports HB 1076**, which establishes the Climate Mitigation and Resiliency Special Fund to provide dedicated, long-term funding for projects that reduce climate disaster risks and strengthen community resilience.

Catholic Charities Hawaii (CCH) is a tax exempt, community-based organization that has been providing social services in Hawaii for over 77 years. CCH has programs serving elders, children, families, veterans, homeless and immigrants. We serve over 40,000 people each year throughout the state.

As a community-based organization committed to serving Hawaii's most vulnerable populations, we recognize that climate change disproportionately impacts low-income families, kūpuna, and underserved communities. Rising sea levels, wildfires, and extreme weather events pose an increasing threat to homes, livelihoods, and essential services. Without proactive investment, these challenges will continue to escalate, placing greater burdens on our residents and economy.

HB 1076 provides a fiscally responsible solution by leveraging interest from the state's Emergency and Budget Reserve Fund, ensuring that Hawaii can invest in climate resilience without imposing new financial burdens on residents. This measure prioritizes forward-thinking investments, supporting community-driven initiatives, resilient infrastructure, and ecosystem restoration to safeguard Hawaii's future.

We urge the Legislature to pass HB 1076 to ensure a stable, long-term funding mechanism for climate adaptation and disaster preparedness. By taking action now, we can protect our communities, reduce future recovery costs, and build a more resilient Hawaii for generations to come.

We urge your support for this bill. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.

Mahalo for your consideration.





**LATE**

## **Testimony in Support of SB1395 SD1 – Relating to State Funds**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means,

Hawai'i Food+ Policy strongly **supports SB1395 SD1**, which establishes the Climate Mitigation and Resiliency Special Fund. This bill ensures that all earned interest from the Emergency and Budget Reserve Fund is allocated to the newly created special fund and designates a portion of tax revenues to further support its implementation.

Hawai'i is facing a climate crisis. Our state is experiencing more extreme droughts, rising temperatures, wildfires, unusual weather phenomena, beach erosion, and the devastating effects of sea level rise. These destructive events demonstrate that Hawai'i is on the frontlines of climate change.

Investing in climate mitigation and resilience is not optional—it is essential. The Climate Mitigation and Resiliency Special Fund established by SB1395 SD1 will:

- **Advance critical projects** that mitigate, adapt to, and increase resilience against climate change.
- **Support the necessary expertise, personnel, and administrative capacity** to develop and implement these projects effectively.

By supporting SB 1395 SD1, you are making a **transformative investment** in the safety, well-being, and future of Hawai'i's people and 'āina. Without bold action, climate disasters—like the **tragic Lahaina wildfires that claimed 102 lives on Maui**—will only become more frequent and severe.

We urge you to **pass SB1395 SD1** and ensure Hawai'i has the resources necessary to confront this crisis head-on.

Mahalo for your time and consideration,  
**Hawai'i Food+ Policy Team**

---

**The Food+ Policy internship** develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2025, the cohort of interns are undergraduate and graduate students and young professionals working in the food system. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



**LATE**

**SENATE COMMITTEE ON WAYS AND MEANS**

**FEBRUARY 27, 2025**

**SB 1395, SD1, RELATING TO STATE FUNDS**

**POSITION: SUPPORT**

Coalition Earth **supports** SB 1395, SD1, relating to state funds, which establishes the Climate Mitigation and Resiliency Special Fund. Requires the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund; and requires a portion of the revenues from the Transient Accommodations Tax to be allocated to the newly established special fund.

According to a report produced by the Hawai'i Climate Change Mitigation and Adaptation Commission, global sea levels could rise more than three feet by 2100, with more recent projections showing this occurring as early as 2060. In turn, over the next 30 to 70 years, approximately 6,500 structures and 19,800 people statewide will be exposed to chronic flooding. Additionally, an estimated \$19 billion in economic loss would result from chronic flooding of land and structures located in exposure areas. Finally, approximately 38 miles of coastal roads and 550 cultural sites would be chronically flooded, on top of the 13 miles of beaches that have already been lost on Kaua'i, O'ahu, and Maui to erosion fronting shoreline armoring.

As we work to reduce carbon emissions and stave off the worst consequences of climate change, we must begin preparing for the adverse impact of sea level rise on our shores. We are now quantifying the speed at which we must act. We cannot continue to develop the 25,800-acre statewide sea level rise exposure area—one-third of which is designated for urban use—without risking massive structural damage and, potentially, great loss of life.

Just two years ago, we witnessed the impact of the climate emergency on our shores. On August 8, 2023, wildfires swept across Maui and killed at least 100 people, making it one of the nation's deadliest natural disasters. The spread of the fires has been attributed to climate change conditions, such as unusually dry landscapes and the confluence of a strong high-pressure system

to the north and Hurricane Dora to the south. The wildfires destroyed over 2,200 structures, including numerous residential buildings, historic landmarks, and school facilities. In September 2023, a report from the United States Department of Commerce estimated the total economic damage of the wildfires to be roughly \$5.5 billion. Investing in renewable energy generation could not be more urgent, given the growing threat of climate catastrophes to our island home.

Therefore, **our state should take steps to accelerate our transition to a clean energy economy and continue our fight against climate change, including by increasing investments in the climate mitigation and adaptation strategies necessary to protect our society and our shores.** In 2019, Conservation International published a report on our need to boost funding to defend our islands' natural resources. Entitled "Green Passport: Innovation Financing Solutions for Conservation In Hawai'i," the report concluded that the state has an annual spending gap of \$358 million to sufficiently manage its natural environment.

We are facing a similar gap when it comes to generating sustainable revenue to combat the worst effects of the climate emergency. In June of last year, the state reached a settlement agreement in the landmark case of *Navahine v. Hawai'i Department of Transportation*, in which Gov. Josh Green acknowledged the constitutional rights of Hawai'i's youth to a life-sustaining climate and confirmed the commitment by HDOT to plan and implement transformative changes to Hawai'i's transportation system to achieve the state's goal of net-negative emissions by 2045. The agreement included numerous provisions for climate action, such as:

- Establishing a Greenhouse Gas Reduction Plan within one year of the agreement, laying the foundation and roadmap to decarbonize Hawai'i's transportation system within the next 20 years;
- Creating a lead unit and responsible positions within HDOT to coordinate the mission of GHG reduction throughout the agency; oversee climate change mitigation and adaptation for the highways program; and ensure implementation of the Complete Streets policy of building and upgrading public highways for all users, ages, and abilities;
- Establishing a volunteer youth council to advise on HDOT mitigation and adaptation commitments in the years to come;
- Improving the state transportation infrastructure budgeting process to prioritize reduction of GHG and vehicles miles traveled (VMT) and transparently analyze and disclose the GHG and VMT impacts of each project and the overall program; and
- Making immediate investments in clean transportation infrastructure, including completing the pedestrian, bicycle, and transit networks in five years, and dedicating a minimum of \$40 million to expanding the electric vehicle charging network by 2030.

On January 28<sup>th</sup>, Gov. Green issued an executive order to promote and expedite the development of renewable energy in our state. Amidst uncertainty regarding renewable energy policy created by the Trump administration and concerns over grid stability across the state, the order accelerates renewable development for neighbor island communities to hit 100 percent renewable portfolio standards from 2045 to 2035, sets a statewide goal of 50,000 distributed renewable energy installations (such as rooftop solar and battery systems) by 2030, and directs

state departments to streamline the permitting of renewable developments to reduce energy costs and project development timelines.

These ambitious actions are essential to the preservation of our state's and our keiki's future. We must ensure that funding is available to meet our obligation to safeguard our planet from the climate catastrophe for generations to come.

*Coalition Earth is a nongovernmental organization that works to preserve the well-being of people and our planet. We champion policies that advance climate resilience, clean energy, public health, and economic fairness for working families. Contact us at [info@coalitionearth.org](mailto:info@coalitionearth.org).*

**SB-1395-SD-1**

Submitted on: 2/23/2025 9:21:24 PM

Testimony for WAM on 2/27/2025 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Oppose	Written Testimony Only

Comments:

Honorable Chair, Vice Chair, and Members of the Committee,

Thank you for the opportunity to testify. While I fully share the commitment to safeguarding Hawaii's future, I oppose HB1109 as currently written.

The **bill's language is excessively vague** regarding the specific projects to be funded and the criteria for their selection. Moreover, the undisclosed dollar amount appropriated for the climate mitigation and resiliency special fund creates uncertainty about the fiscal burden and potential hidden liabilities, making effective oversight difficult.

The proposal to manage a climate fund through the Department of Defense **risks bureaucratic inefficiencies and lack of independent oversight**. I recommend establishing an independent oversight board with experts and clear performance benchmarks to ensure transparency and efficient use of taxpayer dollars.

While climate change is a market failure that may justify intervention, concentrating authority in a single agency is not the only solution. Public-private partnerships, competitive grant programs, and pilot projects with sunset provisions would better harness market innovation while maintaining accountability.

Addressing climate change is urgent, but our approach must safeguard fiscal responsibility and individual liberty. I urge the legislature to adopt a balanced strategy that incorporates robust oversight, detailed fiscal analysis, and market-driven solutions.

Thank you for your time and consideration,

Nicholas Zehr

**SB-1395-SD-1**

Submitted on: 2/21/2025 10:57:40 PM

Testimony for WAM on 2/27/2025 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Katrina Fenner	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Gabbard, Vice Chair Richards, and Members of the Senate Agriculture and Environment Committee,

I am Katrina Fenner a undergraduate student at UH Manoa and I am writing in **strong support** to bill SB1395 which would establish a Climate Mitigation and Resiliency Special Fund which would provide special funds for sustainable initiatives.

Climate change is a pressing issue that is of major concern for my generation. In recent years we have seen destructive and deadly disasters fueled by our changing climate. As a resident of Hawai'i it is scary to know how vulnerable our islands are to changes in the environment. It is important we *mālama ka 'aina* and set aside the necessary funds to acheive state-wide sustainability and resilience against climate change.

Mahalo for the opportunity to testify

Katrina Fenner (UH Manoa 2027)

**SB-1395-SD-1**

Submitted on: 2/26/2025 8:54:23 AM

Testimony for WAM on 2/27/2025 10:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT! GOOD IDEA. MAHALO!