

HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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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 AGRICULTURE AND ENVIRONMENT

Tuesday, February 3, 2025
1:02 PM
State Capitol, Conference Room 224 and Videoconference

In SUPPORT of
SB 1395

RELATING TO STATE FUNDS.

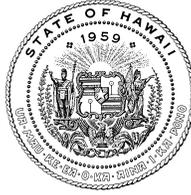
Chair Gabbard, Vice Chair Richards, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 1395, an Administration measure, which establishes the Climate Mitigation and Resiliency Special Fund (CMRSF), mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund (EBRF) to the newly established special fund, 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.

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.



EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

Senate Committee on Agriculture and Environment
Monday, February 3, 2025
1:02 p.m.
State Capitol, Conference Room 224, and Videoconference

In Support
S.B. No. 1395, Relating to State Funds

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

The Office of the Governor supports S.B. No. 1395, Relating to State Funds. S.B. No. 1395 establishes the Climate Mitigation and Resiliency Special Fund and mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund to the special fund. The bill also provides an expenditure ceiling for the special fund.

Hawaii is experiencing a climate emergency. As an island chain, Hawaii is particularly susceptible to the effects of climate change, such as rising temperatures, prolonged droughts, and increasingly destructive and deadly weather events. In recognition of these impacts and their potentially life-threatening consequences, Governor Green, convened a Climate Advisory Team to develop and recommend climate-related disaster policies.

Among these policy recommendations is the establishment of a climate resilience fund to finance projects that increase Hawaii's preparedness for and mitigation of climate-related disasters. 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.

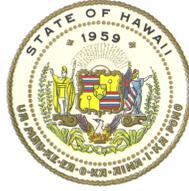
Given the scale of current and future climate impacts to Hawaii, the Climate Advisory Team advised allocating \$1.375 billion over the next five years to the climate resilience fund. To avoid placing an undue financial burden upon Hawaii residents, the team recommended using interest from the Emergency and Budget Reserve Fund (EBRF), also known as the "Rainy Day Fund," to finance the CMRSF. Currently, interest from the EBRF is reinvested back into the fund. This bill would redirect all generated interest from the EBRF into the CMRSF. This

Testimony of the Office of the Governor
S.B. No. 1395
February 3, 2025
Page 2

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.

Climate mitigation and resiliency is 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 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
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
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
AGRICULTURE AND ENVIRONMENT**

**Monday, February 3, 2025
1:02 PA**

State Capitol, Conference Room 224 & Videoconference

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

Senate Bill 1395 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.ⁱ An investment into climate mitigation and resilience is an investment into our people, economy and future.

The Commission’s “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.

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



Hawai'i Climate Advisory Team

To: Senator Mike Gabbard, Chair
Senator Tim Richards, Vice Chair
Senate Committee on Agriculture and Environment

From: The Climate Advisory Team

RE: **SB1395 - Relating to State Funds - In Support**
Monday, February 3, 2025
Conference Room 224 & Videoconference

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

Mahalo for the opportunity to testify **in strong support** of SB1395 relating to the Climate Mitigation and Resiliency Special Fund. We, the undersigned representatives of the Climate Advisory Team (CAT), believe establishing this fund is vital to helping Hawai'i proactively prepare for and mitigate the adverse impacts of climate-related disasters. Such disasters are happening with increasing frequency and severity, and the state must act now to fund environmental, residential, and community resilience initiatives 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, which provides detailed context for the measures we are supporting this 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, residential, 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 costs. A California study similarly finds that every \$1 million spent annually on vegetation management, a form of environmental resilience work,



Hawai'i Climate Advisory Team

can save roughly \$3.7 million in costs. Funding efforts that make our land, public infrastructure, residential homes, and communities more capable of weathering future disasters is a sound investment.

HB1076 and SB1395 propose 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. Importantly, this approach would not place added financial burden on Hawai'i's residents while still providing the needed funding source to address the costs of climate change we face. 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.

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

With aloha,

The Climate Advisory Team

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 Agriculture and Environment
Monday, February 3, 2025, 1:02 PM
State Capitol, Conference Room 224
in consideration of
Senate Bill No. 1395
RELATING TO STATE FUNDS

Chair Gabbard, Vice Chair Richards and Members of the Committee:

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

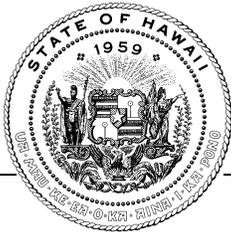
Serving as a member of the Climate Advisory Team over the past six months has heightened my awareness of the devastating impacts of disasters and underscored the importance of investing in pre-disaster preparedness to mitigate future losses and long-term recovery.

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 (1) ensure a thriving environment by removing invasive plants that provide fuel for wildfires and fortify natural protections against hurricane and storm surges; and (2) increase resilience in our communities by fortifying homes susceptible to hurricanes and ensuring our communities are provided necessary resources and technical assistance through community based organizations to provide pre-disaster education (e.g., Hawaii Hazards Awareness and Resilience Program; Hawaii Wildfire Management Organization, etc.), planning and coordination to increase a community's readiness, in collaboration with local, state and federal agencies.

Funding this important work through the interest earned on the Emergency and Budget Reserve Fund (EBRF) is an elegant solution which does not negatively impact any existing program, while implementing timely, proactive and preventative solutions for which EBRF was established.

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



**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 96813
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Written Statement of
MARY ALICE EVANS, Director

before the
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Monday, February 03, 2025, 1:02 PM
State Capitol, Conference Room 224

in consideration of
SB 1395
RELATING TO STATE FUNDS.

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

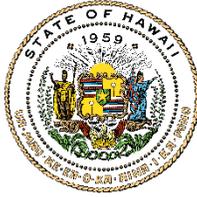
The purpose of SB 1395 is to appropriate funds to establish the Climate Mitigation and Resiliency Special Fund and mandates the allocation of all earned interest from the Emergency and Budget Reserve Fund to the newly established special fund.

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.

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

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
AGRICULTURE AND ENVIRONMENT**

**Monday, February 3, 2025
1:02 PM**

State Capitol, Conference Room 224 & Videoconference

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

Senate Bill 1395 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.

Mahalo for the opportunity to testify on this measure.

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 PŌULIA

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,
RELATING TO STATE FUNDS

BEFORE THE SENATE COMMITTEE ON
AGRICULTURE AND ENVIRONMENT

BY

JAMES DS. BARROS
ADMINISTRATOR
HAWAI'I EMERGENCY MANAGEMENT AGENCY

FEBRUARY 3, 2025

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

Thank you for the opportunity to submit a testimony to **SUPPORT** Senate Bill 1395.

The Hawai'i Emergency Management Agency supports the establishment of the Climate Mitigation and Resiliency Special Fund and recognizes that Hawai'i is facing increasing risks from climate change. By establishing this special fund, this bill will provide a dedicated source of funding for projects aimed at addressing climate change impacts. HIEMA believes that advancing this initiative will help strengthen the state's emergency preparedness and reduce the long-term costs of climate-related disasters.

By establishing a structured funding mechanism, HIEMA can work 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 the priorities outlined in the Executive Budget.

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

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



Officers

Kaipo Kekona
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Vice-President

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Hana, Maui

Mason Scharer
Haleakala, Maui

Kaiea Medeiros
Mauna Kahalawai,
Maui

Kaipo Kekona
Lahaina, Maui

Kilia Avelino-Purdy
Molokai

Negus Manna
Lana'i

India Clark
North Shore, Oahu

Christian Zuckerman
Wai'anae, Oahu

Ted Radovich
Waimanalo, Oahu

Vincent Kimura
Honolulu, Oahu

Natalie Urminska
Kauai

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

The Hawaii Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports SB1395.**

SB1395 is essential for advancing sustainable agriculture and promoting environmental resilience in Hawaii. By establishing the Climate Mitigation and Resiliency Special Fund and ensuring a dedicated financial stream through the allocation of earned interest from the Emergency and Budget Reserve Fund, this bill provides a robust framework for addressing the pressing challenges of climate change. For farmers across Hawaii, who are increasingly vulnerable to the impacts of climate shifts such as altered precipitation patterns and more frequent extreme weather events, this fund can serve as a crucial resource. It would facilitate the implementation of innovative farming practices, infrastructure improvements, and technological advancements designed to enhance sustainability and minimize environmental impact.

The Hawaii Farmers Union recognizes the immense potential this special fund holds for enabling farmers to adopt climate-smart agricultural methods. Investments in climate resiliency measures not only support environmental sustainability but also bolster local food security and the economic viability of farming communities. By appropriating funds towards these initiatives, SB1395 empowers farmers to mitigate risks and adapt to changing conditions, ensuring the long-term health of Hawaii's agricultural landscapes and contributing to the broader goal of achieving state-wide sustainability and resilience against climate change.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawaii Farmers Union

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: HB 1076, SB 1395

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

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.

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 moneys in the emergency and budget reserve fund to the newly established fund.

EFFECTIVE DATE: July 1, 2025.

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?”

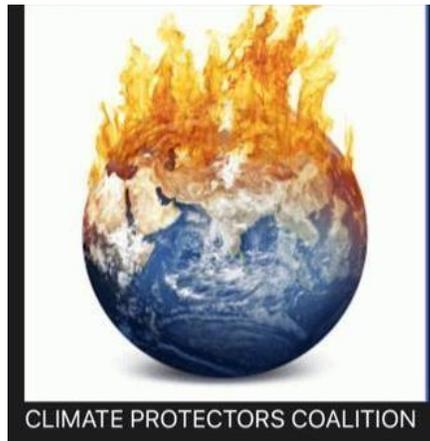
Our Legislature is supposed to be the steward of all state moneys, but special funds make it very easy to lose track of where the money is and how it is being spent. Departments are supposed to tell the Legislature if they have special funds and how much is in them, but let’s just say they don’t always. 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.



To: The Honorable Chair Mike Gabbard, the Honorable Vice Chairs Herbert M. “Tim” Richards, III, and Members of the Committee on Agriculture and Environmental Protection.

From: The Climate Protectors Hawai‘i (by Ted Bohlen)

Re: Hearing **SB1395 RELATING TO STATE FUNDS**

Hearing: Monday February 3, 2025, 1:02 p.m. Rm. 224

Aloha Chair Gabbard, Vice Chair Richards, and Agriculture and Environment Committee Members:

The Climate Protectors Hawai‘i seeks 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 SB1395!

Hawai‘i is experiencing a **climate emergency! The effects of climate warming are here now and will increase in the future!** From the rain bomb in Haena to the catastrophic fire in Lahaina, to droughts, floods, and more intense storms and more invasive species, **climate warming will necessitate greater reserves for the increased level of disasters. We need to invest now in efforts to limit and adapt to climate effects and become more resilient against both current and future climate impacts.**

This bill would establish the Climate Mitigation and Resiliency Special Fund. All earned interest from the Emergency and Budget Reserve Fund would be allocated to the Climate Mitigation and Resiliency Special Fund. Moneys in the Climate Mitigation and Resiliency Special Fund shall be used for projects that mitigate or adapt to climate change impacts, or increase resiliency. The bill appropriates up to \$60 million in fiscal year 2025-2026 and \$60 million in fiscal year 2026-2027.

Please pass this bill to mitigate the impacts and costs of climate warming and make Hawaii more resilient against climate warming.

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

FEBRUARY 3rd, 2025

SB 1395, RELATING TO STATE FUNDS

POSITION: SUPPORT

Coalition Earth **supports** SB 1395, relating to state funds, which establishes 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.

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 28th, 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.



February 2, 2025

To: Chair Mike Gabbard, Vice Chair Tim Richards, and the Senate Committee on Agriculture and Environment

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

Aloha,

I am writing in **support** of **SB1395**, 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.

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

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.



HAWAI'I FOOD+ POLICY

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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

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SB-1395

Submitted on: 1/31/2025 6:11:58 PM

Testimony for AEN on 2/3/2025 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Amber Datta	Individual	Support	Written Testimony Only

Comments:

Aloha:

I am writing as a resident of O'ahu and Hawai'i Island in support of SB1395. As climate disasters continue to impact our state it is essential to have funds available to respond to these events. These funds will help to address this critical need.

Mahalo,

Amber Datta

SB-1395

Submitted on: 2/1/2025 11:00:33 AM

Testimony for AEN on 2/3/2025 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

Climate change is here, and we need to adapt. Please pass SB1395.