stand. com. rep. no. 776

Honolulu, Hawaii

, 2025 FEB 08

H.B. No. 1077 RE:

H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1077 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the Department of Defense to fund projects that strengthen the State's resiliency against climate change;
- (2) Require the Department of Defense to convene a selection committee to review and recommend projects to receive an allocation of monies from the Climate Mitigation and Resiliency Special Fund;
- Establish the Climate Mitigation and Resiliency Special (3) Fund:
- Establish the Economic Development and Revitalization (4)Special Fund;
- Increase the Transient Accommodations Tax and allocate a (5)portion of the tax to the Climate Mitigation and

Resiliency Special Fund and the Economic Development and Revitalization Special Fund; and

(6) Appropriate funds into and out of the special funds established in this measure.

Your Committee received testimony in support of this measure from the Office of the Governor; Office of the Governor Recovery and Resiliency Unit; Hawai'i Climate Advisory Team; Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Hawai'i Emergency Management Agency; Hawaii State Energy Office; Office of Planning and Sustainable Development; Hawaii Green Infrastructure Authority; Hawai'i Climate Change Mitigation & Adaptation Commission; Kua'āina Ulu 'Auamo; Hawai'i Land Trust; Coalition Earth; Climate Protectors Hawai'i; Pacific Whale Foundation; Care for 'Aina Now Coalition; and three individuals. Your Committee received testimony in opposition to this measure from 3 G International, Inc.; Grassroot Institute of Hawaii; Maui Chamber of Commerce; and eight individuals. Committee received comments on this measure from the Department of the Attorney General; Department of Taxation; Hawai'i Tourism Authority; Tax Foundation of Hawaii; and Hawaii Lodging & Tourism Association.

Your Committee finds that the State is experiencing a climate emergency that is threatening the health and well-being of Hawaii's residents and environment. This measure establishes funding mechanisms to advance projects addressing climate change, including the establishment of the Climate Mitigation and Resiliency Special Fund and Economic Development and Revitalization Special Fund.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider the following appropriation amounts:

- (1) \$50,000,000 into and out of the Climate Mitigation and Resiliency Special Fund;
- (2) \$90,000,000 out of the Climate Mitigation and Resiliency Special Fund; and
- (3) \$90,000,000 out of the Economic Development and Revitalization Special Fund.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1077, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1077, H.D. 1, and be referred to your Committees on Economic Development & Technology and Tourism.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,



State of Hawaii House of Representatives The Thirty-third Legislature



Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: Commit HR 10 77 FFP.	tee Referral: ECD/TOU, F	Date	2/4/25	
<u> </u>		IN	21 1125	
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	V			
			erika Erikatakoa erikata	
2. PERRUSO, Amy A. (VC)	V		230241.	A CONTRACTOR STATES
2 VAHALOA Vingtin				
3. KAHALOA, Kirstin		waranga a		
4. KUSCH, Matthias		1416 231 <u>13 18 91</u> 111		
	Market Ma			To Manager
5. QUINLAN, Sean				
			i ental in	
6. WARD, Gene				V
				
TOTAL (6)	5			1
The recommendation is: Adopted If joint referral, did not support recommendation. Acommittee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				