

JAN 23 2025

A BILL FOR AN ACT

RELATING TO CLIMATE CHANGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. This Act shall be known and may be cited as the
2 "Climate Change Superfund Act".

3 SECTION 2. The legislature finds that climate change,
4 resulting primarily from the combustion of fossil fuels, is an
5 immediate, grave threat to the State's communities, environment,
6 and economy. In addition to mitigating the further buildup of
7 greenhouse gases, the State must take action to adapt to certain
8 consequences of climate change that are irreversible, including
9 rising sea levels, increasing temperatures, extreme weather
10 events, flooding, heat waves, toxic algal blooms, and other
11 climate change-driven threats. Maintaining the State's quality
12 of life into the future, particularly for young people, who will
13 experience greater impacts from climate change over their
14 lifetimes, will be one of the State's greatest challenges over
15 the next three decades. Meeting that challenge will require a
16 shared commitment of purpose, significant investments in new or



1 upgraded infrastructure, and new revenue sources to pay for
2 those investments.

3 The legislature further finds that, based on decades of
4 research, it is now possible to determine with great accuracy
5 the share of greenhouse gases released into the atmosphere by
6 specific fossil fuel companies over the last seventy years or
7 more, making it possible to assign liability to and require
8 compensation from companies commensurate with their emissions
9 during a given time period.

10 It is therefore the intent of the legislature to establish
11 a climate change adaptation cost recovery program that will
12 require companies that have contributed significantly to the
13 buildup of climate change-driving greenhouse gases in the
14 atmosphere to bear a proportionate share of the cost of
15 infrastructure investments and other expenses necessary for
16 comprehensive adaptation to the impacts of climate change in the
17 State.

18 The obligation to pay under the program established by this
19 Act is based on the fossil fuel companies' historic contribution
20 to the buildup of greenhouse gases that is largely responsible
21 for climate change. The program will operate under a standard



1 of strict liability, meaning companies will be required to pay
2 into the fund because the use of their products caused the
3 pollution. No finding of wrongdoing is required.

4 Further, payments by historical polluters into the climate
5 change adaptation cost recovery program will be used for new or
6 upgraded infrastructure needs such as coastal wetlands
7 restoration; storm water drainage system upgrades; energy
8 efficient cooling systems in public and private buildings,
9 including schools and public housing; support for programs
10 addressing climate-driven public health challenges; and
11 responses to extreme weather events, all of which are necessary
12 to protect the public safety and welfare in the face of the
13 growing impacts of climate change. The cost to the State of
14 climate adaptation investments through 2050 is estimated to
15 reach several billion dollars.

16 The legislature also finds that recent science has
17 determined that the largest one hundred fossil fuel producing
18 companies are responsible for more than seventy per cent of
19 global greenhouse gas emissions since 1988, and therefore bear a
20 much higher share of responsibility for climate damage to the



1 State than what is represented by the amount assessed against
2 these companies.

3 This Act is not intended to intrude on the authority of the
4 federal government in areas where it has preempted the right of
5 the states to legislate. This Act is remedial in nature,
6 seeking compensation for damages resulting from the past actions
7 of polluters.

8 Accordingly, the purpose of this Act is to establish the
9 climate change adaptation cost recovery program to secure
10 compensatory payments from responsible parties based on a
11 standard of strict liability to provide a source of revenue for
12 climate change adaptive infrastructure projects within the
13 State.

14 SECTION 3. Chapter 225M, Hawaii Revised Statutes, is
15 amended by adding a new part to be appropriately designated and
16 to read as follows:

17 **"PART . CLIMATE CHANGE ADAPTATION COST RECOVERY PROGRAM**

18 **§225M-A Definitions.** As used in this part:

19 "Applicable payment date" means September 30 of the second
20 calendar year following the effective date of Act , Session
21 Laws of Hawaii 2025.



1 "Climate change adaptive infrastructure project" means an
2 infrastructure project designed to avoid, moderate, repair, or
3 adapt to negative impacts caused by climate change, and to
4 assist communities, households, and businesses in preparing for
5 future climate change-driven disruptions. "Climate change
6 adaptive infrastructure project" includes but is not limited to:

- 7 (1) Restoring coastal wetlands and developing other
8 nature-based solutions and coastal protections;
- 9 (2) Upgrading storm water drainage systems;
- 10 (3) Preparing for and recovering from hurricanes and other
11 extreme weather events;
- 12 (4) Undertaking preventative health care programs and
13 providing medical care to treat illness or injury
14 caused by the effects of climate change;
- 15 (5) Relocating, elevating, or retrofitting sewage
16 treatment plants vulnerable to flooding;
- 17 (6) Installing energy efficient cooling systems and other
18 weatherization and energy efficiency upgrades and
19 retrofits in public and private buildings, including
20 schools and public housing;



- 1 (7) Upgrading parts of the electrical grid to increase
- 2 stability and resilience, including supporting the
- 3 creation of self-sufficient clean energy microgrids;
- 4 (8) Addressing urban heat island effects through green
- 5 spaces, urban forestry, and other interventions;
- 6 (9) Making defensive upgrades to roads, bridges, and
- 7 transit systems; and
- 8 (10) Responding to toxic algae blooms, loss of agricultural
- 9 topsoil, and other climate-driven ecosystem threats to
- 10 forests, farms, fisheries, and food systems.

11 "Coal" means bituminuous coal, anthracite coal, or lignite.

12 "Controlled group" means two or more entities treated as a
13 single employer under section 52(a), 52(b), 414(m), or 414(o) of
14 the Internal Revenue Code of 1986, as amended. In applying
15 subsections (a) and (b) of section 52 of the Internal Revenue
16 Code, section 1563 of the Internal Revenue Code of 1986, as
17 amended, shall be applied without regard to section (b)(2)(C).

18 For the purposes of this part, an entity in a controlled group
19 shall be treated as a single entity for purposes of meeting the
20 definition of responsible party and are jointly and severally



1 liable for payment of any cost recovery demand owed by any
2 entity in the controlled group.

3 "Cost recovery demand" means a charge asserted against a
4 responsible party for cost recovery payments under the program
5 for payment to the fund.

6 "Covered greenhouse gas emissions" means, with respect to
7 any entity, the total quantity of greenhouse gases released into
8 the atmosphere during the covered period, expressed in metric
9 tons of carbon dioxide equivalent as identified in section
10 225M-C, including but not limited to releases of greenhouse
11 gases resulting from the extraction, storage, production,
12 refinement, transport, manufacture, distribution, sale, and use
13 of fossil fuels or petroleum products extracted, produced,
14 refined, or sold by the entity.

15 "Covered period" means the period that began January 1,
16 2000, and ended on December 31, 2018.

17 "Crude oil" means oil or petroleum of any kind and in any
18 form, including bitumen, oil sands, heavy oil, conventional and
19 unconventional oil, shale oil, natural gas liquids, condensates,
20 and related fossil fuels.



1 "Entity" means any individual, trustee, agent, partnership,
2 association, corporation, company, municipality, political
3 subdivision, or other legal organization, including a foreign
4 nation, that holds or held an ownership interest in a fossil
5 fuel business during the covered period.

6 "Fossil fuel" means coal, petroleum products, and fuel
7 gases.

8 "Fossil fuel business" means a business engaging in the
9 extraction of fossil fuels or the refining of petroleum
10 products.

11 "Fuel gases" means methane, natural gas, liquefied natural
12 gas, and manufactured fuel gases.

13 "Fund" means the climate change adaptation special fund
14 established pursuant to section 225M-J.

15 "Greenhouse gas" means carbon dioxide, methane, nitrous
16 oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride,
17 and any other substance emitted into the air that may be
18 reasonably anticipated to cause or contribute to anthropogenic
19 climate change.

20 "Nature-based solution" means a project that utilizes or
21 mimics nature, natural processes, or functions and that may also



1 offer environmental, economic, and societal benefits, while
2 increasing resilience. "Nature-based solution" includes both
3 green and natural infrastructure.

4 "Notice of cost recovery demand" means the written
5 communication informing a responsible party of the amount of the
6 cost recovery demand payable to the fund.

7 "Petroleum product" means any product refined or rerefined
8 from synthetic or crude oil or oil extracted from other sources,
9 including natural gas liquids.

10 "Program" means the climate change adaptation cost recovery
11 program established under section 225M-B.

12 "Public entity" means any unit of government in this State,
13 including:

14 (1) The State;

15 (2) Any county or combination of counties, department,
16 agency, institution, board, commission, district,
17 council, bureau, office, public trust, governing
18 authority, or other instrumentality of state or county
19 government; and



1 (3) Any corporation or other establishment owned,
2 operated, or managed by or on behalf of the State or
3 any county.

4 "Qualifying expenditure" means an authorized payment from
5 the fund in support of a climate change adaptive infrastructure
6 project, including its operation and maintenance, as defined by
7 the office of planning and sustainable development.

8 "Responsible party" means any entity, or successor in
9 interest to an entity, which, during any part of the covered
10 period, was engaged in the trade or business of extracting
11 fossil fuel or refining crude oil and is determined by the
12 office of planning and sustainable development to be responsible
13 for more than one billion tons of covered greenhouse gas
14 emissions. "Responsible party" does not include any person who
15 lacks sufficient connection with the State to satisfy the nexus
16 requirements of the United States Constitution.

17 **§225M-B Climate change adaptation cost recovery program;**
18 **establishment; purpose.** (a) There is established within the
19 office of planning and sustainable development the climate
20 change adaptation cost recovery program.



1 (b) The purposes of the climate change adaptation cost
2 recovery program shall be the following:

- 3 (1) To secure compensatory payments from responsible
4 parties based on a standard of strict liability to
5 provide a source of revenue for climate change
6 adaptive infrastructure projects within the State;
- 7 (2) To determine proportional liability of responsible
8 parties pursuant to section 225M-C;
- 9 (3) To impose cost recovery demands on responsible parties
10 and issue notices of cost recovery demands;
- 11 (4) To accept and collect payment from responsible
12 parties;
- 13 (5) To identify climate change adaptive infrastructure
14 projects;
- 15 (6) To disperse funds to climate change adaptive
16 infrastructure projects; and
- 17 (7) To allocate funds; provided that not less than forty
18 per cent of the qualified expenditures from the
19 program shall be allocated to climate change adaptive
20 infrastructure projects that benefit disadvantaged
21 communities.



1 **§225M-C Climate change adaptation cost recovery program;**

2 **responsible party liability; cost recovery demand.** (a) A

3 responsible party shall be strictly liable, without regard to

4 fault, for a share of the costs of climate change adaptive

5 infrastructure projects, including their operation and

6 maintenance, supported by the fund.

7 (b) With respect to each responsible party, the cost

8 recovery demand shall be equal to an amount that bears the same

9 ratio to \$10,000,000,000 as the responsible party's applicable

10 share of covered greenhouse gas emissions bears to the aggregate

11 applicable shares of covered greenhouse gas emissions of all

12 responsible parties.

13 (c) The applicable share of covered greenhouse gas

14 emissions taken into account under this section for any

15 responsible party shall be the amount by which the covered

16 greenhouse gas emissions attributable to the responsible party

17 exceeds one billion metric tons.

18 (d) Where an entity owns a minority interest in another

19 entity of ten per cent or more, the calculation of the entity's

20 applicable share of greenhouse gas emissions taken into account

21 under this section shall include the applicable share of



1 greenhouse gas emissions taken into account under this section
2 by the entity in which the responsible party holds a minority
3 interest, multiplied by the percentage of the minority interest
4 held.

5 (e) In determining the amount of greenhouse gas emissions
6 attributable to any entity:

7 (1) An amount equivalent to nine hundred forty-two and
8 one-half metric tons of carbon dioxide equivalent
9 shall be treated as released for every million pounds
10 of coal attributable to the entity;

11 (2) An amount equivalent to 432,180 metric tons of carbon
12 dioxide equivalent shall be treated as released for
13 every million barrels of crude oil attributable to the
14 entity; and

15 (3) An amount equivalent to 53,440 metric tons of carbon
16 dioxide equivalent shall be treated as released for
17 every million cubic feet of fuel gasses attributable
18 to the entity.

19 (f) The director of the office of planning and sustainable
20 development may adjust the cost recovery demand amount of a
21 responsible party refining petroleum products, or a party that



1 is a successor in interest to a responsible party refining
2 petroleum products, if the responsible party establishes to the
3 satisfaction of the director that a portion of the cost recovery
4 demand amount was attributable to the refining of crude oil
5 extracted by another responsible party or its successor.

6 (g) Payment of a cost recovery demand shall be made in
7 full on the applicable payment date unless a responsible party
8 elects to pay in installments pursuant to subsection (h).

9 (h) A responsible party may elect to pay the cost of
10 recovery demand amount in twenty-four annual installments;
11 provided that eight per cent of the total due shall be paid in
12 the first installment and four per cent of the total due shall
13 be paid in each of the following twenty-three installments. If
14 an election is made under this subsection, the first installment
15 shall be paid on the applicable payment date and each subsequent
16 installment shall be paid on the same date as the applicable
17 payment date in each succeeding year.

18 (i) If there is any addition to the original amount of the
19 cost recovery demand for: failure to timely pay any installment
20 required under this section; a liquidation for sale of
21 substantially all the assets of the responsible party, including



1 in a proceeding under title XI, United States Code, or similar
2 case; a cessation of business by the responsible party; or any
3 similar circumstance, then the unpaid balance of all remaining
4 installments shall be due on the date of the event; provided
5 that, in the event of a proceeding under title XI, United States
6 Code, or similar case, the unpaid balance of all remaining
7 installments shall be due on the day before the petition is
8 filed; provided further that if a buyer of a responsible party
9 enters into an agreement with the director of the office of
10 planning and sustainable development under which the buyer is
11 liable for the remaining installments, the terms of the
12 agreement shall apply.

13 **§225M-D Climate change adaptation cost recovery program;**
14 **office of planning and sustainable development;**
15 **responsibilities.** (a) No later than July 1, 2026, the office
16 of planning and sustainable development shall adopt rules
17 pursuant to chapter 91 to carry out this part, including but not
18 limited to:

- 19 (1) Adopting methodologies using the best available
20 science to determine responsible parties and their



1 applicable shares of covered greenhouse gas emissions
2 consistent with this part;

3 (2) Registering entities that are responsible parties
4 under the program;

5 (3) Issuing notices of cost recovery demand to responsible
6 parties informing them of:

7 (A) The cost recovery demand amount;

8 (B) How and where cost recovery demands can be paid;

9 (C) The potential consequences of nonpayment and late
10 payment; and

11 (D) Information regarding a responsible party's
12 rights to contest an assessment;

13 (4) Accepting payments from, pursuing collection efforts
14 against, and negotiating settlements with responsible
15 parties; and

16 (5) Adopting procedures for identifying and selecting
17 climate change adaptive infrastructure projects.
18 eligible to receive qualifying expenditures, including
19 legislative budget appropriations, issuance of
20 requests for proposals from localities and not-for-
21 profit and community organizations, grants to private



1 individuals, or other methods as determined by the
2 office of planning and sustainable development, and
3 for dispersing moneys from the fund for qualifying
4 expenditures. When considering projects intended to
5 stabilize tidal shorelines, the office of planning and
6 sustainable development shall encourage the use of
7 nature-based solutions. Total qualifying expenditures
8 shall be allocated so at least forty per cent of the
9 qualified expenditures from the program, shall go to
10 climate change adaptive infrastructure projects that
11 benefit disadvantaged communities.

12 (b) The office of planning and sustainable development
13 shall hold at least two public hearings, one in-person and one
14 virtual, on proposed regulations, with a minimum of thirty days
15 public notice.

16 **§225M-E Master plan.** No later than July 1, 2027, the
17 office of planning and sustainable development shall complete a
18 statewide climate change adaptation master plan for the purpose
19 of guiding the dispersal of funds in a timely, efficient, and
20 equitable manner to all regions of the State in accordance with
21 the provisions of this part. In completing the statewide



1 climate change adaptation master plan, the office of planning
2 and sustainable development shall:

3 (1) Collaborate with other relevant state and county
4 agencies;

5 (2) Assess the adaptation needs and vulnerabilities of
6 various areas vital to the State's economy, normal
7 functioning, and the health and well-being of
8 residents in the State, including but not limited to:

9 (A) Agriculture;

10 (B) Biodiversity;

11 (C) Ecosystem services;

12 (D) Education;

13 (E) Finance;

14 (F) Health care;

15 (G) Manufacturing;

16 (H) Housing and real estate;

17 (I) Retail;

18 (J) Tourism;

19 (K) Transportation; and

20 (L) Municipal and local government;



- 1 (3) Identify major potential, proposed, and ongoing
- 2 climate change adaptive infrastructure projects
- 3 throughout the State;
- 4 (4) Identify opportunities for alignment with existing
- 5 federal, state, and local funding streams;
- 6 (5) Consult with stakeholders, including local
- 7 governments, businesses, environmental advocates,
- 8 relevant subject area experts, and representatives of
- 9 disadvantaged communities; and
- 10 (6) Provide opportunities for public engagement in all
- 11 regions of the State.

12 **§225M-F Authorization to enforce.** The office of planning
13 and sustainable development, department of taxation, and the
14 department of the attorney general shall be authorized to
15 implement and enforce the provisions of this part.

16 **§225M-G Cost recovery demand; opportunity to contest.** The
17 office of planning and sustainable development or department of
18 taxation shall provide an opportunity to be heard to any
19 responsible party that seeks to contest a cost recovery demand.
20 Determinations made in favor of a petitioner after a hearing



shall be final and conclusive. A determination in favor of the State may be appealed in accordance with part I of chapter 641.

§225M-H Cost recovery demand; deposit of moneys. Moneys received from cost recovery demands shall be deposited into the climate change adaptation special fund established pursuant to section 225M-J.

§225M-I Climate change adaptation cost recovery program; evaluation. (a) The office of planning and sustainable development shall conduct an independent evaluation of the climate change adaptation cost recovery program. The purpose of the evaluation shall be to determine the effectiveness of the program in achieving its purpose as established in section 225M-B.

(b) The office of planning and sustainable development shall submit the evaluation, and any proposed legislation, to the governor and legislature no later than forty days prior to the convening of the regular session of 2028.

(c) Any entity contracted by the office of planning and sustainable development to conduct the evaluation shall receive prompt payment of all moneys due upon completion of the evaluation.



1 **§225M-J Climate change adaptation special fund.** (a)

2 There is established in the State treasury the climate change
3 adaptation special fund into which funds collected pursuant to
4 cost recovery demands under section 225M-C shall be deposited.

5 The climate change adaptation special fund shall be applied,
6 used, and disposed of for the payment of qualifying expenditures
7 pursuant to the climate change adaptation cost recovery program
8 established under section 225M-B.

9 (b) No moneys shall be expended from the fund for any
10 project except qualifying expenditures pursuant to the climate
11 change adaptation cost recovery program, including their
12 operation and maintenance.

13 (c) Revenues in the fund shall be kept separate and shall
14 not be comingled with any other moneys. Any deposit of revenues
15 shall be secured by obligations of the United States or of the
16 State having a market value equal at all times to the amount of
17 the deposit and any bank and trust companies shall be authorized
18 to give security for the deposit.

19 **§225M-K Climate change adaptation cost recovery program;**
20 **labor and job standards; worker protection; generally.** Any
21 public entity involved in implementing a project funded through



1 the climate change adaptation cost recovery program shall assess
2 and implement strategies to increase employment opportunities
3 and improve job quality. No later than November 1, 2025, the
4 governor shall publish a report, accessible on the governor's
5 official website, which shall provide:

6 (1) Steps that will be taken to ensure compliance with
7 this part, including the department or office, or
8 combination thereof, charged with implementation of
9 the provisions of this part;

10 (2) Regulations necessary to ensure the prioritization of
11 the statewide goal of creating quality jobs and
12 increasing employment opportunities; and

13 (3) Steps that will be taken with all public entities,
14 including local and county level governments, to
15 implement a system to track compliance, accept reports
16 of non-compliance for enforcement action, and report
17 annually on the adoption of these standards to the
18 legislature no later than forty days prior to the
19 convening of each regular session, beginning with the
20 regular session of 2026.



1 **§225M-L Climate change adaptation cost recovery program;**
2 **labor and job standards; public entities.** In considering and
3 issuing permits, licenses, regulations, contracts, and other
4 administrative approvals and decisions necessary for
5 implementation of projects funded in whole, or in part, through
6 the climate change adaptation cost recovery program, each public
7 entity shall apply the following standards:

8 (1) For any construction work, the payment of not less
9 than prevailing wages for all employees of any
10 contractors and subcontractors, consistent with state
11 law; provided that, in the event a recipient of
12 financial assistance contracts building service work
13 or operations and maintenance work is a building
14 service contractor, the contractor shall be held to
15 the same obligations with respect to prevailing wages
16 as the recipient; provided further that the recipient
17 shall include terms establishing this obligation
18 within any contract signed with a contractor;

19 (2) The public entity may require a private owner, or a
20 third party acting on the owner's behalf, as a
21 condition of receiving funds pursuant to the climate



1 change adaptation cost recovery program, to stipulate
2 to the public entity that it will enter into a labor
3 peace agreement with at least one bona fide labor
4 organization where either the bona fide labor
5 organization is actively representing employees in the
6 job-type or, upon notice, a bona fide labor
7 organization is attempting to represent employees in
8 the job-type. For the purposes of this paragraph,
9 "labor peace agreement" means an agreement between an
10 entity and labor organization that, at a minimum,
11 protects the State's proprietary interests by
12 prohibiting labor organizations and members from
13 engaging in work stoppages, boycotts, and any other
14 economic interference with the relevant project or
15 program;

- 16 (3) The inclusion of contract language with a provision
17 that the iron, steel, aluminum, glass, copper,
18 manufactured products, and construction products,
19 including without limitation, vehicles, omnibuses,
20 school buses, trucks, construction equipment, earth
21 moving equipment, cranes, drilling equipment, rolling



1 stock, train control equipment, communication
2 equipment, traction power equipment, rolling stock
3 prototypes, rolling stock frames, rolling stock car
4 shells, batteries, charging equipment, fuel cells,
5 fueling equipment, turbines, nacelles, blades, rotors,
6 generators, motors, hubs, cable, conduit, controllers,
7 towers, photovoltaic cells, solar panels, meters,
8 inverters, pipe, tubing, fittings, tanks, flanges,
9 valves, concrete, rebar, brick, aggregate, concrete
10 block, cement, timber, lumber, tile, and drywall used
11 or supplied in the performance of the contract or any
12 subcontract, shall be produced or made in whole or
13 substantial part in the United States, its
14 territories, or possessions. In the case of an iron,
15 steel, or aluminum product, all manufacturing shall
16 take place in the United States, from the initial
17 melting stage through the application of coatings,
18 except metallurgical processes involving the
19 refinement of steel additives; provided that the
20 provisions of this paragraph shall not apply in any



1 case or category of cases in which the head of the
2 contracting public entity finds that:

3 (A) Applying paragraph (3) would be inconsistent with
4 the public interest;

5 (B) Products are not produced in the United States in
6 sufficient and reasonably available quantities
7 and of a satisfactory quality; or

8 (C) Inclusion of products produced in the United
9 States will increase the cost of the overall
10 project by more than twenty-five per cent.

11 If the head of the contracting public entity receives
12 a request for a waiver under this paragraph, the head
13 of the contracting public entity shall make available
14 to the public on an informal basis a copy of the
15 request and information available to the head of the
16 contracting public entity concerning the request, and
17 shall allow for informal public input on the request
18 for at least fifteen days before making a finding
19 based on the request. The head of the contracting
20 public entity shall make the request and accompanying
21 information available by electronic means, including



1 on the official public website of the public entity.

2 The provisions of this paragraph shall not apply for
3 products purchased before July 1, 2025;

4 (4) The head of the contracting public entity may, at the
5 contracting entity's sole discretion, provide for a
6 solicitation of a request for proposal, invitation for
7 bid, or solicitation of proposal, or any other method
8 provided for by law or regulation for soliciting a
9 response from offerors intending to result in a
10 contract pursuant to this subsection involving a
11 competitive process in which the evaluation of
12 competing bids gives significant consideration in the
13 evaluation process to the procurement of equipment and
14 supplies from businesses located in the State;

15 (5) Wherever possible, contractors and subcontractors
16 shall be required to participate in apprenticeship
17 programs in the trades in which they are performing
18 work; provided that for industries without
19 apprenticeship programs, the use of workforce
20 training, preferably in conjunction with a bona fide
21 labor organization, shall be required; provided



1 further that contractors and subcontractors shall
2 utilize registered pre-apprenticeship direct entry
3 programs for the recruitment of local or disadvantaged
4 workers; and

5 (6) Notwithstanding any provision of law to the contrary,
6 all rights or benefits, including terms and conditions
7 of employment, and protection of civil service and
8 collective bargaining status of all existing public
9 employees, shall be preserved and protected. Nothing
10 in this section shall result in the:

11 (A) Displacement of any currently employed worker or
12 loss of position, including partial displacement
13 such as a reduction in the hours of non-overtime
14 work, wages, or employment benefits, or result in
15 the impairment of existing collective bargaining
16 agreements;

17 (B) Transfer of existing duties and functions related
18 to maintenance and operations currently performed
19 by existing employees of authorized entities to a
20 contracting entity; or



1 (C) Transfer of future duties and functions
2 ordinarily performed by employees of authorized
3 entities to a contracting entity.

4 **§225M-M Hawaii jobs plan; requirement.** (a) Any public
5 entity requesting bids or awarding contracts for renewable
6 energy projects, energy efficiency projects, or other projects
7 funded by the climate change adaptation cost recovery program,
8 except for construction projects, shall require any applicant,
9 bidder, or responder to submit a Hawaii jobs plan as part of its
10 application, bid, or response. The office of planning and
11 sustainable development, in consultation with the department of
12 labor and industrial relations, shall develop all forms,
13 procedures, evaluation and scoring criteria, and guidance
14 necessary for the implementation of the Hawaii jobs plan. To
15 the extent feasible, the office of planning and sustainable
16 development, in consultation with the department of labor and
17 industrial relations, shall consider the input and
18 recommendations of relevant public entities on the development
19 of the Hawaii jobs plan.

20 (b) The Hawaii jobs plan shall require applicants,
21 bidders, and responders to provide information on jobs that



1 would result from being awarded the bid or contract for the
2 projects and, at a minimum, shall include the following
3 information for nonsupervisory positions:

4 (1) The number of full-time non-temporary jobs retained,
5 and the number to be created;

6 (2) The number of positions classified as employees and
7 positions classified as independent contractors;

8 (3) The number of jobs to be specifically reserved for
9 individuals facing barriers to employment and the
10 number to be reserved for individuals from
11 disadvantaged communities;

12 (4) The minimum wages and fringe benefits amounts to be
13 paid;

14 (5) The proposed amounts for worker training and
15 information about any existing apprenticeship program
16 or a federally recognized state apprenticeship agency;
17 and

18 (6) In the event that a federal authority specifically
19 authorizes use of a geographic preference or when
20 covered public contracts are funded exclusively
21 through state or local funds, the Hawaii jobs plan



1 shall require information on the number of local jobs
2 to be created.

3 (c) Awarding public entities shall require the same Hawaii
4 jobs plan information to be submitted from all known
5 subcontractors at the time the solicitation or bid for the
6 project is released.

7 (d) Hawaii jobs plan commitments shall be included in the
8 contract awarded by the public entity or its contractors as a
9 material term.

10 (e) For non-competitive public contracts awarded under
11 this part, applicants, bidders, or responders shall create a
12 Hawaii jobs plan as set forth in this section. For competitive
13 public contracts, public entities shall award contracts using a
14 competitive best-value bid procurement process in accordance
15 with chapter 103D. The applicant's, bidder's, or responder's
16 Hawaii jobs plan shall be scored as a part of the overall
17 application for the public contract, awarding additional
18 consideration to applicants, bidders, or responders who do any
19 of the following:

20 (1) Have the greatest beneficial economic impact on the
21 state and local economies as a result of receiving the



public contract, based on the priority criteria
outlined in its Hawaii jobs plan;

(2) Enhance the State's commitment to energy conservation,
pollution and greenhouse gas emissions reduction, and
transportation efficiency;

(3) Retain the greatest number of full-time, non-temporary
employees compensated at a wage rate for the project
jurisdiction as established in the living wage
calculator published by the Massachusetts Institute of
Technology, using the living wage rate for a household
of two working adults with two children in the
jurisdiction of the project;

(4) Make concrete commitments to creating the greatest
number of full-time, non-temporary jobs compensating
employees at a wage rate at or above the living wage
rate for the project jurisdiction as established in
the living wage calculator published by the
Massachusetts Institute of Technology, using the
living wage rate for a household of two working adults
with two children in the jurisdiction of the project;



1 (5) Commit to at least ninety per cent of the labor on the
2 contract being performed by workers classified as
3 employees;

4 (6) Offer targeted training and opportunities for
5 individuals facing barriers to employment and workers
6 from disadvantaged communities; and

7 (7) The office of planning and sustainable development, in
8 consultation with the department of labor and
9 industrial relations, shall develop a web-based portal
10 to track Hawaii jobs plan commitments and compliance.
11 Any Hawaii jobs plan commitments and compliance
12 reporting shall be viewable by the public through the
13 web-based portal. Recipients of public contracts
14 shall, on an annual basis, upload progress reports on
15 each of the commitments included in their Hawaii jobs
16 plan application, for the duration of the covered
17 public contract.

18 (f) Noncompliance with Hawaii jobs plan commitments shall
19 be a violation the terms of the public contract. At a minimum,
20 these commitments shall be enforceable through standard breach



1 of contract remedies, including but not limited to termination
2 of the public contract.

3 (g) Nothing set forth in this section shall be construed
4 to impede, infringe, or diminish the rights and benefits which
5 accrue to employees through bona fide collective bargaining
6 agreements, or otherwise diminish the integrity of the existing
7 collective bargaining relationship.

8 (h) Nothing in this section shall preclude a public entity
9 from setting additional requirements or standards in addition to
10 those set forth in this part."

11 SECTION 4. Chapter 225M, Hawaii Revised Statutes, is
12 amended by designating sections 225M-1 to 225M-9 as Part I,
13 entitled "General Provisions".

14 SECTION 5. In codifying the new sections added by section
15 3 of this Act, the revisor of statutes shall substitute
16 appropriate section numbers for the letters used in designating
17 the new sections in this Act.

18 SECTION 6. This Act shall take effect on July 1, 2025.

19

INTRODUCED BY:

Kal Rhoads



S.B. NO. 1652

Report Title:

OPSD; Climate Change Superfund Act; Climate Change Adaptation Cost Recovery Program; Climate Change Adaptation Special Fund

Description:

Establishes the Climate Change Adaptation Cost Recovery Program within the Office of Planning and Sustainable Development to secure compensatory payments from historically responsible parties that contributed to pollution, based on a standard of strict liability to provide a source of revenue for climate change adaptive infrastructure projects within the State. Establishes the Climate Change Adaptation Special Fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

