
A BILL FOR AN ACT

RELATING TO CLIMATE CHANGE.

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

1 SECTION 1. The legislature finds that Hawaii is
2 experiencing a climate emergency. Climate change impacts are
3 being felt statewide and have long-term threats to the State's
4 economy, sustainability, environment, security, culture, and way
5 of life. Successful mitigation and adaptation of climate change
6 requires comprehensive study and action to address the impacts
7 of climate change.

8 The 2017 Hawai'i Sea Level Rise Vulnerability and Adaptation
9 Report estimated the lost value of flooded structures and land
10 at over \$19,000,000,000. The legislature further finds that
11 Hawaii needs to invest in climate action now to address these
12 and other costs of climate change as soon as possible. Climate
13 change action may include looking at the resiliency of the power
14 grid, renewable energy resources, sustainable transportation
15 systems, land use planning, sea level rise, health, natural and
16 cultural resources, sustainable tourism, hazard vulnerability
17 and mitigation, social vulnerability, economic resilience, and



1 climate equity and justice. The breadth of the impact of
2 climate change is such that comprehensive and coordinated
3 efforts need to be undertaken.

4 The purpose of this Act is to establish the climate impact
5 special fund and appropriate funds to address the impacts of
6 climate change and mitigate further impacts on the State through
7 education, carbon sequestration, and resiliency planning and
8 implementation.

9 SECTION 2. Chapter 225P, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§225P- Climate impact special fund. (a) There is
13 established in the state treasury the climate impact special
14 fund, to be administered by the commission, into which shall be
15 deposited:

- 16 (1) Appropriations made by the legislature to the fund;
- 17 (2) Fees collected under this chapter or any rule adopted
18 pursuant to this chapter;
- 19 (3) Grants provided by governmental agencies or any other
20 source;



1 (4) Donations made by private individuals or organizations
2 for deposit into the fund; and

3 (5) Earnings on moneys in the fund.

4 (b) Moneys in the climate impact special fund shall
5 be used for:

6 (1) The operations of the commission; and

7 (2) Activities carried out by the State to address the
8 impact, mitigation, and adaptation of climate change,
9 including but not limited to nature-based solutions;
10 climate smart agriculture; vehicle miles traveled
11 reduction; sea level rise modeling, mapping, planning,
12 adaption, and mitigation; managed retreat; carbon
13 sequestration technologies; electrification of homes,
14 vehicles, and appliances; clean renewable energy
15 technologies; climate change education and outreach;
16 and other activities deemed appropriate by the
17 commission.

18 (c) The commission may transfer moneys to other state
19 departments and agencies to carry out the purposes of the
20 commission and to fund efforts to mitigate and adapt to climate
21 change.



1 (d) The commission shall submit an annual report to the
2 legislature no later than twenty days prior to the convening of
3 each regular session on the sources of moneys deposited into the
4 climate impact special fund and expenditures of moneys from the
5 special fund."

6 SECTION 3. Section 243-3.5, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) In addition to any other taxes provided by law,
9 subject to the exemptions set forth in section 243-7, there is
10 hereby imposed a state environmental response, energy, and food
11 security tax on each barrel or fractional part of a barrel of
12 petroleum product sold by a distributor to any retail dealer or
13 end user of petroleum product, other than a refiner. The tax
14 shall be \$1.05 on each barrel or fractional part of a barrel of
15 petroleum product that is not aviation fuel; provided that of
16 the tax collected pursuant to this subsection:

17 (1) 5 cents of the tax on each barrel shall be deposited
18 into the environmental response revolving fund
19 established under section 128D-2;



1 (2) 4 cents of the tax on each barrel shall be deposited
2 into the energy security special fund established
3 under section 201-12.8;

4 (3) 5 cents of the tax on each barrel shall be deposited
5 into the energy systems development special fund
6 established under section 304A-2169.1;

7 (4) 3 cents of the tax on each barrel shall be deposited
8 into the electric vehicle charging system subaccount
9 established pursuant to section 269-33(e); ~~and~~

10 (5) 3 cents of the tax on each barrel shall be deposited
11 into the hydrogen fueling system subaccount
12 established pursuant to section 269-33(f) ~~[+]~~; and

13 (6) 5 cents of the tax on each barrel shall be deposited
14 into the climate impact special fund established
15 pursuant to section 225P- .

16 The tax imposed by this subsection shall be paid by the
17 distributor of the petroleum product."

18 SECTION 4. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$100,000,000 or so
20 much thereof as may be necessary for fiscal year 2023-2024 to be
21 deposited into the climate impact special fund.



1 SECTION 5. There is appropriated out of the climate impact
2 special fund the sum of \$80,000,000 or so much thereof as may be
3 necessary for fiscal year 2023-2024 for the purposes of carrying
4 out the operations of the Hawaii climate change mitigation and
5 adaptation commission.

6 The sum appropriated shall be expended by the department of
7 land and natural resources for the purposes of this Act.

8 SECTION 6. There is appropriated out of the climate impact
9 special fund the sum of \$20,000,000 or so much thereof as may be
10 necessary for fiscal year 2023-2024 to transfer moneys to the
11 sea level rise voluntary relocation fund to carry out the
12 purposes of the Hawaii climate change mitigation and adaptation
13 commission and to fund efforts to mitigate and adapt to climate
14 change.

15 The sum appropriated shall be expended by the department of
16 land and natural resources for the purposes of this Act.

17 SECTION 7. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 8. This Act shall take effect on June 30, 3000.



Report Title:

Climate Change Special Fund; Appropriation

Description:

Establishes the Climate Impact Special Fund. Allocates five cents from the Environmental Response, Energy, and Food Security Tax to the Climate Impact Special Fund. Appropriates funds to the Hawaii Climate Change Mitigation and Adaptation Commission to address impacts of climate change and to mitigate further impacts on the State through carbon sequestration and resiliency planning. Allocates funds to the Sea Level Rise Voluntary Relocation Fund. Effective 6/30/3000. (HD1)

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