
A BILL FOR AN ACT

RELATING TO STATE FUNDS.

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 felt statewide and threaten the future of the State's economy,
4 sustainability, environment, security, culture, and way of life.
5 Successful mitigation of and adaptation to climate change
6 requires comprehensive action to address its detrimental
7 impacts.

8 The legislature finds that Hawaii needs to invest in
9 efforts immediately to reduce climate change impacts and limit
10 current and future costs of climate change. The anticipated
11 extent of the impact of climate change is such that the State
12 needs to take comprehensive and coordinated mitigation efforts
13 as soon as possible.

14 The purpose of this Act is to address the impacts of
15 climate change on the State and mitigate further impacts by:

16 (1) Establishing the climate mitigation and resiliency
17 special fund;



- 1 (2) Allocating the interest earned on balances within the
- 2 emergency and budget reserve fund to the special fund;
- 3 (3) Allocating a portion of the revenues from the
- 4 transient accommodations tax to the special fund; and
- 5 (4) Appropriating funds out of the special fund.

6 SECTION 2. The Hawaii Revised Statutes is amended by
 7 adding a new chapter to be appropriately designated and to read
 8 as follows:

9 "CHAPTER

10 CLIMATE MITIGATION AND RESILIENCY SPECIAL FUND

11 § -1 **Establishment.** There is established in the state
 12 treasury the climate mitigation and resiliency special fund, to
 13 be administered by the department of defense, into which shall
 14 be deposited:

- 15 (1) Appropriations made by the legislature to the fund;
- 16 (2) Fees collected under this chapter or any rule adopted
- 17 thereunder;
- 18 (3) Grants provided by governmental agencies or any other
- 19 source;
- 20 (4) Donations made by private individuals or organizations
- 21 for deposit into the fund;



- 1 (5) Interest earned from moneys in the emergency and
2 budget reserve fund established in section 328L-3;
3 (6) A portion of the revenues from the transient
4 accommodations tax established by chapter 237D; and
5 (7) Interest earned from moneys in the fund.

6 § -2 **Uses.** Moneys in the climate mitigation and
7 resiliency special fund shall be used to advance projects
8 addressing climate change impacts, including projects that
9 mitigate, adapt to, or increase resiliency against climate
10 change. Moneys may also be used for consultant, personnel, and
11 administrative costs required to develop and implement the
12 projects authorized in this section."

13 SECTION 3. Section 237D-6.5, Hawaii Revised Statutes, is
14 amended by amending subsection (b) to read as follows:

15 "(b) Except for the revenues collected pursuant to
16 section 237D-2(e), revenues collected under this chapter shall
17 be distributed in the following priority, with the excess
18 revenues to be deposited into the general fund:

- 19 (1) \$1,500,000 shall be allocated to the Turtle Bay
20 conservation easement special fund beginning July 1,
21 2015, for the reimbursement to the state general fund



1 of debt service on reimbursable general obligation
2 bonds, including ongoing expenses related to the
3 issuance of the bonds, the proceeds of which were used
4 to acquire the conservation easement and other real
5 property interests in Turtle Bay, Oahu, for the
6 protection, preservation, and enhancement of natural
7 resources important to the State, until the bonds are
8 fully amortized;

9 (2) \$11,000,000 shall be allocated to the convention
10 center enterprise special fund established [~~under~~]
11 pursuant to section 201B-8;

12 (3) An allocation shall be deposited into the tourism
13 emergency special fund, established [~~in~~] pursuant to
14 section 201B-10, in a manner sufficient to maintain a
15 fund balance of \$5,000,000 in the tourism emergency
16 special fund; [~~and~~]

17 (4) \$3,000,000 shall be allocated to the special land and
18 development fund established [~~under~~] pursuant to
19 section 171-19; provided that the allocation shall be
20 expended in accordance with the Hawaii tourism
21 authority strategic plan for:



- 1 (A) The protection, preservation, maintenance, and
- 2 enhancement of natural resources, including
- 3 beaches, important to the visitor industry;
- 4 (B) Planning, construction, and repair of facilities;
- 5 and
- 6 (C) Operation and maintenance costs of public lands,
- 7 including beaches, connected with enhancing the
- 8 visitor experience[-]; and

9 (5) \$ _____ shall be allocated to the climate
 10 mitigation and resiliency special fund established
 11 under section -1.

12 All transient accommodations taxes shall be paid into the
 13 state treasury each month within ten days after collection and
 14 shall be kept by the state director of finance in special
 15 accounts for distribution as provided in this subsection."

16 SECTION 4. Section 328L-3, Hawaii Revised Statutes, is
 17 amended by amending subsection (b) to read as follows:

18 "(b) All interest earned from moneys in the emergency and
 19 budget reserve fund shall be credited to the [~~emergency and~~
 20 ~~budget reserve fund.~~] climate mitigation and resiliency special
 21 fund established pursuant to section -1."



1 SECTION 5. There is appropriated out of the climate
2 mitigation and resiliency special fund the sum of \$ or
3 so much thereof as may be necessary for fiscal year 2025-2026
4 and the same sum or so much thereof as may be necessary for
5 fiscal year 2026-2027 to advance projects addressing climate
6 change impacts.

7 The sums appropriated shall be expended by the department
8 of defense for the purposes of this Act.

9 SECTION 6. The appropriations made by this Act shall not
10 lapse at the end of the fiscal year for which the appropriation
11 is made; provided that all moneys from the appropriation
12 unencumbered as of June 30, 2028, shall lapse into the fund from
13 which appropriated as of that date. Any unissued balance of any
14 authorization made by this Act as of the close of business on
15 June 30, 2028, shall lapse.

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

18 SECTION 8. This Act shall take effect on July 1, 2050.



Report Title:

Department of Defense; Climate Mitigation and Resiliency Special Fund; Emergency and Budget Reserve Fund; Transient Accommodations Tax; Appropriations

Description:

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. Requires a portion of the revenues from the Transient Accommodations Tax to be allocated to the newly established special fund. Appropriates funds. Effective 7/1/2050. (SD1)

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