

STAND. COM. REP. NO. 1010

Honolulu, Hawaii

FEB 28 2025

RE: S.B. No. 1395
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1395, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO STATE FUNDS,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the State's resilience to climate change.

Specifically, this measure:

- (1) Establishes a climate mitigation and resiliency special fund;
- (2) Deposits the interest earned from the balance of the emergency and budget reserve fund into the climate mitigation and resiliency special fund;
- (3) Allocates a portion of the transient accommodations tax to the special fund; and
- (4) Appropriates moneys out of the climate mitigation and resiliency special fund to advance projects that address climate change impacts.

Your Committee received written comments in support of this measure from the Office of the Governor; Department of Land and



Natural Resources; Office of Planning and Sustainable Development; Hawaii State Hazard Mitigation Forum; Hawaii Green Infrastructure Authority; Climate Change Mitigation and Adaptation Commission; Hawaii State Energy Office; Hawai'i Climate Advisory Team; Hawaii Emergency Management Agency; The Nature Conservancy; Purple Maia Foundation; Maui Bicycling League; Hawaii Land Trust; Hawaii Executive Collaborative, Climate Hawai'i; Catholic Charities Hawai'i; Coalition Earth; and three individuals.

Your Committee received written comments in opposition to this measure from the Libertarian Party of Hawaii and one individual.

Your Committee received written comments on this measure from the Hawaii Tourism Authority and Tax Foundation of Hawaii.

Your Committee finds that the impacts of climate change threaten the future of the State's economy, sustainability, environment, security, culture, and way of life. Your Committee further finds that the successful mitigation of and adaptation to climate change requires comprehensive action to address its detrimental impacts.

Your Committee has amended this measure by:

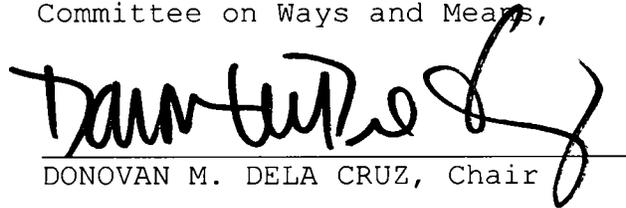
- (1) Deleting language that would have established the climate mitigation and resiliency special fund, established revenue sources for the special fund, and appropriated money out of the special fund;
- (2) Allocating interest earned on balances within the emergency and budget reserve fund to the general fund in years in which the emergency and budget reserve fund's balance exceeds the fund balance objective set for the emergency and budget reserve fund established in Administrative Directive No. 22-01; and
- (3) Requiring the Governor, for any fiscal year that follows a fiscal year in which emergency and budget reserve fund interest is deposited into the general fund, to include in the budget or supplemental budget submitted to the Legislature pursuant to section 37-71 or 37-72, Hawaii Revised Statutes, a request to expend an amount of



general funds equal to that amount of interest deposited in the preceding fiscal year, to advance projects that address climate change impacts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1395, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1395, S.D. 2.

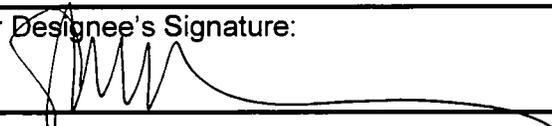
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1395, SD 1	AEN, WAM	2/27/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13	0	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes