

JAN 23 2026

---

---

# A BILL FOR AN ACT

RELATING TO A CLEAN ENERGY ECONOMY.

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

1           SECTION 1. The legislature finds that affordability is an  
2 essential component of climate policy and that strategies to  
3 reduce greenhouse gas emissions must consider cost-effectiveness  
4 and impacts on ratepayers, taxpayers, households, and the  
5 broader economy, while also maintaining reliable and resilient  
6 energy systems. Fossil fueled electricity generation  
7 constitutes a significant source of greenhouse gas emissions and  
8 therefore represents a critical focus for emissions-reduction  
9 efforts, while also considering the impact on customer energy  
10 costs and system reliability.

11           The legislature further finds that climate change is driven  
12 by the cumulative concentration of global greenhouse gases in  
13 the atmosphere and that carbon dioxide is a globally mixed  
14 pollutant. As recognized by the Intergovernmental Panel on  
15 Climate Change, the climate benefit of greenhouse gas mitigation  
16 and carbon sequestration depends on the net global reduction in  
17 emissions and atmospheric concentrations, regardless of the



1 geographic location where sequestration or removal occurs;  
2 provided that such reductions are real, measurable, additional,  
3 and durable.

4       The legislature further finds that, taken as a whole, the  
5 office of planning and sustainable development, in its 2019  
6 report, "Feasibility and Implications of Establishing a Carbon  
7 Offset Program for the State of Hawaii", reflects that that  
8 although local sequestration projects may provide important co-  
9 benefits, including ecosystem services, cultural value, and  
10 local economic activity, the scale of available local  
11 sequestration opportunities is limited and may be insufficient  
12 on its own to achieve the State's long-term greenhouse gas  
13 reduction goals, suggesting that access to broader sequestration  
14 opportunities may be necessary and should be encouraged to  
15 achieve cost-effective mitigation.

16       The legislature further finds that greenhouse gas emissions  
17 are inherently interstate and global in nature, and that courts  
18 have recognized regulation of greenhouse gas emissions as a  
19 matter of federal concern due to their interstate and global  
20 effects. Carbon sequestration and removal, as the corollary to  
21 greenhouse gas emissions, similarly operate on a global



1 atmospheric basis. High-quality local sequestration projects  
2 can deliver ecosystem, cultural, and community benefits, while  
3 access to global sequestration opportunities can help reduce  
4 overall costs and accelerate progress toward climate goals,  
5 making local and global sequestration efforts complimentary.

6 The legislature further finds that chapter 225P, Hawaii  
7 Revised Statutes (chapter 225P), establishes an aspirational  
8 target for achieving a clean economy. As one of the statewide  
9 planning chapters, chapter 225P is not to be construed as a  
10 mandate. In fact, implementation of chapter 225P in a manner  
11 that promotes or requires local sequestration over functionally  
12 equivalent interstate or global sequestration, given that global  
13 carbon sequestration and removal is a corollary to global  
14 greenhouse gas emissions may raise concerns under the Dormant  
15 Commerce Clause (article 1, section 8) of the United States  
16 Constitution because it facially discriminates against out-of-  
17 state sequestration services and credits and favors in-state  
18 economic actors at the expense of interstate competitors.

19 The legislature further finds that a 2025 climate report  
20 issued by the Council on Strategic Risks has concluded that  
21 climate change presents systemic risks to both civilian and



**S.B. NO. 2903**

1 military communities in the State, driven by global atmospheric  
2 conditions and global emissions trends. These assessments  
3 underscore that climate impacts are not confined by state  
4 boundaries and that effective mitigation depends on reducing  
5 cumulative global greenhouse gas concentrations. Accordingly,  
6 the legislature believes that recognition of greenhouse gas  
7 sequestration should reflect its equivalent climate benefit  
8 regardless of geographic location, particularly where such  
9 recognition supports cost-effective, resilient, and timely  
10 emissions-reduction strategies.

11 The legislature also recognizes that the inclusion of a  
12 representative from the Hawaii state energy office would  
13 strengthen the Hawaii climate change mitigation and adaptation  
14 commission's ability to evaluate mitigation and sequestration  
15 strategies in a coordinated and informed manner that recognizes  
16 the benefit of global opportunities. While each state agency  
17 has been asked to consider the impact of their agency's internal  
18 plans, departmental decisions, and strategies on the State's  
19 ability to achieve the goals of a clean economy, there has been  
20 no reporting of such consideration given.

21 Therefore, the purpose of this Act is to:



# S.B. NO. 2903

- 1 (1) Include the chief energy officer of the Hawaii state  
2 energy office as a member of the Hawaii climate change  
3 mitigation and adaptation commission;
- 4 (2) Ensure that the State's zero emissions clean economy  
5 aspirational target encourages both local and global  
6 sequestration;
- 7 (3) Require each state agency to review the impacts of its  
8 internal plans as they relate to the purpose and goals  
9 of the Hawaii climate change mitigation and adaptation  
10 commission; and
- 11 (4) Require the Hawaii state energy office to submit  
12 reports regarding each agency's findings towards  
13 incrementally advancing the purpose and goals of the  
14 Hawaii climate change mitigation and adaptation  
15 commission.

16 SECTION 2. Section 225P-1, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 **"§225P-1 Purpose.** The purpose of this chapter is to  
19 address the effects of climate change to protect the State's  
20 economy, environment, health, and way of life. This chapter  
21 establishes the framework for the State to:



# S.B. NO. 2903

- 1           (1) Adapt to the inevitable impacts of global warming and  
2           climate change, including rising sea levels,  
3           temperatures, and other risk factors; and  
4           (2) Mitigate its greenhouse gas emissions [~~by~~  
5           sequestering] through the local and global  
6           sequestration of more atmospheric carbon and  
7           greenhouse gases than the State produces as quickly as  
8           practicable, but no later than 2045."

9           SECTION 3. Section 225P-3, Hawaii Revised Statutes, is  
10          amended by amending subsection (c) to read as follows:

11          "(c) The commission shall include the following members:

- 12          (1) The chairs of the standing committees of the  
13          legislature with subject matter jurisdiction  
14          encompassing environmental protection and land use;  
15          (2) The chairperson of the board of land and natural  
16          resources or the chairperson's designee, who shall be  
17          the co-chair of the commission;  
18          (3) The director of the office of planning and sustainable  
19          development or the director's designee, who shall be  
20          the co-chair of the commission;

# S.B. NO. 2903

- 1           (4) The director of business, economic development, and  
2           tourism or the director's designee;
- 3           (5) The chairperson of the board of directors of the  
4           Hawaii tourism authority or the chairperson's  
5           designee;
- 6           (6) The chairperson of the board of agriculture and  
7           biosecurity or the chairperson's designee;
- 8           (7) The chief executive officer of the office of Hawaiian  
9           affairs or the officer's designee;
- 10          (8) The chairperson of the Hawaiian homes commission or  
11          the chairperson's designee;
- 12          (9) The director of transportation or the director's  
13          designee;
- 14          (10) The director of health or the director's designee;
- 15          (11) The adjutant general or the adjutant general's  
16          designee;
- 17          (12) The chairperson of the board of education or the  
18          chairperson's designee;
- 19          (13) The directors of each of the county planning  
20          departments, or the directors' designees; ~~and~~



- 1           (14) The manager of the coastal zone management program[~~7~~];  
2                     and  
3           (15) The chief energy officer of the Hawaii state energy  
4                     office."

5           SECTION 4. Section 225P-5, Hawaii Revised Statutes, is  
6 amended to read as follows:

7           "**§225P-5 Zero emissions clean economy target.** (a)  
8 Considering both atmospheric carbon and greenhouse gas emissions  
9 as well as offsets from the local and global sequestration of  
10 atmospheric carbon and greenhouse gases through long-term sinks  
11 and reservoirs, a statewide target is hereby established to  
12 sequester more atmospheric carbon and greenhouse gases than  
13 emitted within the State as quickly as practicable, but no later  
14 than 2045; provided that the statewide target includes a  
15 greenhouse gas emissions limit, to be achieved no later than  
16 2030, of at least fifty per cent below the level of the  
17 statewide greenhouse gas emissions in 2005.

18           (b) The Hawaii climate change mitigation and adaptation  
19 commission shall endeavor to achieve the goals of this section.  
20 After January 1, 2020, agency plans, decisions, and strategies  
21 shall give consideration to the impact of those plans,



1 decisions, and strategies on the State's ability to achieve the  
2 goals in this section, weighed appropriately against their  
3 primary purpose.

4 (c) Each agency of the State shall review the impacts of  
5 its internal plans, departmental decisions, and strategies  
6 showing incremental advancement towards the goals in this  
7 section and submit the findings to the Hawaii state energy  
8 office.

9 (d) The Hawaii state energy office shall submit a summary  
10 report describing each agency's findings towards incrementally  
11 advancing the goals of this section to the governor and  
12 legislature, no later than twenty days prior to the convening of  
13 the regular session of 2027 and every five years thereafter."

14 SECTION 5. There is appropriated out of the energy  
15 security special fund the sum of \$100,000 or so much thereof as  
16 may be necessary for fiscal year 2026-2027 for the Hawaii state  
17 energy office to summarize each state agency's progress toward  
18 contributing to the achievement of the state goals pursuant to  
19 section 4 of this Act.

20 The sum appropriated shall be expended by the Hawaii state  
21 energy office for the purposes of this Act.



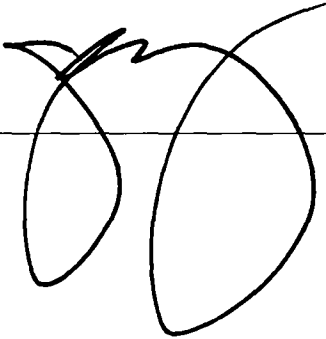
# S.B. NO. 2903

1           SECTION 6. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 7. This Act shall take effect on July 1, 2026.

4

INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink, consisting of several loops and a horizontal line, positioned over the signature line.

# S.B. NO. 2903

**Report Title:**

HSEO; HCCMAC; GHG Sequestration; Climate Change; Reports; Appropriation

**Description:**

Includes the Chief Energy Officer of the Hawaii State Energy Office as a member of the Hawaii Climate Change Mitigation and Adaptation Commission. Ensures that the State's zero emissions clean economy aspirational target encourages both local and global sequestration. Requires each state agency to review the impacts of its internal plans as they relate to the purpose and goals of the Commission. Requires HSEO to submit summary reports to the Governor and Legislature. Appropriates funds.

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

