
A BILL FOR AN ACT

RELATING TO GREENHOUSE GAS EMISSIONS.

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

1 SECTION 1. The legislature finds that the Earth's
2 atmosphere is now warming at the fastest rate in recorded
3 history, a trend that is projected to cause extensive damage to
4 forests, marine ecosystems, and agriculture. Human communities
5 are also threatened by climate change as seas rise, storms
6 become more intense, and episodes of drought and flooding
7 increase. The scientific evidence is now compelling that recent
8 climate change is caused at least in part by human activities,
9 especially the burning of fossil fuels, which has driven
10 atmospheric carbon dioxide concentrations to their highest
11 levels in 420,000 years.

12 The legislature further finds that climate change poses a
13 serious threat to the economic well-being, public health,
14 natural resources, and the environment of Hawaii. The potential
15 adverse effects of global warming include a rise in sea levels
16 resulting in the displacement of businesses and residences and
17 the inundation of Hawaii's freshwater aquifers, damage to marine
18 ecosystems and the natural environment, extended drought and



1 loss of soil moisture, an increase in the spread of infectious
2 diseases, and an increase in the severity of storms and extreme
3 weather events.

4 On February 2, 2007, the Intergovernmental Panel on Climate
5 Change, a body established by the United Nations, released its
6 fourth assessment of the predicted impacts of global climate
7 change. The panel predicted temperature rises of up to eleven
8 and a half degrees fahrenheit by 2100 and a sea level rise of up
9 to twenty-three inches, with an additional 7.8 inches possible
10 if current melting of the ice sheets in Greenland and Antarctica
11 continues.

12 Climate change will have detrimental effects on some of
13 Hawaii's largest industries, including tourism, agriculture,
14 recreational and commercial fishing, and forestry. It will also
15 increase the strain on electricity supplies necessary to meet
16 the demand for air conditioning during the hottest times of the
17 year.

18 The State has long been a leader in environmental
19 stewardship and is endeavoring to lead the way in alternative
20 renewable energy development and use. It is the intent of the
21 legislature that an air pollution reduction program will
22 continue the State's tradition of environmental leadership by



1 placing Hawaii among the nation's leaders in efforts to effect a
2 climate change policy. By reducing emissions in Hawaii, this
3 framework of action will serve as an example to other states,
4 the federal government, and other countries to protect our
5 fragile global environment. By investigating and pioneering
6 technologies that would best meet the unique needs of our island
7 state in achieving a 2020 statewide framework of action, Hawaii
8 will also position its economy, technology centers, financial
9 institutions, and businesses to benefit from national and
10 international efforts to meet this important policy.

11 The purpose of this Act is to:

- 12 (1) Establish limits and a reduction, by January 1, 2020
13 in statewide greenhouse gas emissions to levels at or
14 below the best estimations and updates of the
15 inventory of greenhouse gas emissions estimates for
16 1990; and
- 17 (2) Convene a task force to prepare a scoping plan for
18 achieving the maximum technologically feasible and
19 cost-effective reductions in greenhouse gas emissions
20 from sources or categories of sources of greenhouse
21 gases by 2020.



1 SECTION 2. **Declaration of policy.** The State of Hawaii
2 shall establish limits and a reduction in statewide greenhouse
3 gas emissions to levels at or below the best estimations and
4 updates of the inventory of greenhouse gas emissions estimates
5 for 1990, by January 1, 2020.

6 SECTION 3. **Climate change task force.** There is
7 established the climate change task force within the department
8 of business, economic development, and tourism for
9 administrative purposes only. The task force shall be comprised
10 of the following:

- 11 (1) Two members appointed by the senate president;
12 provided that one member shall be from an affected
13 business;
- 14 (2) Two members appointed by the speaker of the house of
15 representatives; provided that one member shall be
16 from an affected business;
- 17 (3) The deputy director of the department of health's
18 environmental health administration or the deputy
19 director's designee;
- 20 (4) The director of business, economic development, and
21 tourism or the director's designee;



- 1 (5) A member from the University of Hawaii's environmental
2 center;
- 3 (6) A member from the University of Hawaii school of ocean
4 and earth science and technology; and
- 5 (7) Two representatives from environmental-related
6 organizations.

7 SECTION 4. **Scoping plan.** (a) Before July 1, 2009, the
8 climate change task force shall prepare and approve a scoping
9 plan for achieving the maximum technologically feasible and
10 cost-effective reductions in greenhouse gas emissions from
11 sources or categories of sources of greenhouse gases by 2020
12 under this Act. The task force shall consult with all state
13 agencies having jurisdiction over sources of greenhouse gases,
14 including the public utilities commission, on all elements of
15 its plan that pertain to energy-related matters, including but
16 not limited to electrical generation, load-based standards or
17 requirements, the provision of reliable and affordable
18 electrical service, petroleum refining, and statewide fuel
19 supplies, to ensure the greenhouse gas emissions reduction
20 activities to be adopted and implemented are complementary,
21 minimize duplication, and can be implemented in an efficient and
22 cost-effective manner.



1 (b) The scoping plan developed by the task force shall
2 identify and make recommendations on direct emission reduction
3 measures, alternative compliance mechanisms, market-based
4 compliance mechanisms, and potential monetary and non-monetary
5 incentives for sources and categories of sources that the task
6 force finds are necessary or desirable to facilitate the
7 achievement of the maximum feasible and cost-effective
8 reductions of greenhouse gas emissions by 2020.

9 (c) In making the determinations under subsection (b), the
10 task force shall consider all relevant information pertaining to
11 greenhouse gas emissions reduction programs in other states,
12 localities, and nations, including California, the northeastern
13 states of the United States, Canada, and the European Union.

14 (d) The task force shall evaluate the total potential
15 costs and total potential economic and non economic benefits of
16 the plan for reducing greenhouse gases to the state's economy,
17 environment, and public health, using the best available
18 economic models, emission estimation techniques, and other
19 scientific methods.

20 (e) In developing the plan, the task force shall consider
21 the relative contribution of each source or source category to
22 statewide greenhouse gas emissions, and the potential for



1 adverse effects on small businesses, and shall recommend a
2 minimum threshold of greenhouse gas emissions below which
3 emission reductions requirements shall not apply.

4 (f) In developing the scoping plan, the task force shall
5 identify opportunities for emission reductions measures from all
6 verifiable and enforceable voluntary actions, including but not
7 limited to carbon sequestration projects and best management
8 practices.

9 (g) The task force may examine and use market-based
10 compliance mechanisms to achieve emission reductions and shall:

- 11 (1) Consider the potential for direct, indirect, and
12 cumulative emission impacts from these mechanisms,
13 including localized impacts in communities that are
14 already adversely impacted by air pollution;
- 15 (2) Design any market-based compliance mechanism to
16 prevent any increase in the emissions of toxic air
17 contaminants or criteria air pollutants identified by
18 the Environmental Protection Agency; and
- 19 (3) Maximize additional environmental and economic
20 benefits for Hawaii, as appropriate.



- 1 (h) The task force shall:
- 2 (1) Suggest rules governing how market-based compliance
- 3 mechanisms may be used by regulated entities subject
- 4 to greenhouse gas emission limits and mandatory
- 5 emission reporting requirements to achieve compliance
- 6 with their greenhouse gas emissions limits;
- 7 (2) Suggest regulation to control mobile sources of
- 8 greenhouse gas emissions to achieve reductions in
- 9 statewide greenhouse gas emissions;
- 10 (3) Conduct a series of public workshops to give
- 11 interested parties an opportunity to comment on the
- 12 scoping plan. The task force shall conduct at least
- 13 one of these workshops in each county; and
- 14 (4) Update the scoping plan for achieving the maximum
- 15 technologically feasible and cost-effective reductions
- 16 of greenhouse gas emissions at least once every five
- 17 years.

18 SECTION 5. **Greenhouse gas emissions; early enactment.**

19 Nothing in this Act shall restrict any agency from adopting

20 greenhouse gas emission limits or emission reduction measures

21 prior to the adoption of a scoping plan or providing early

22 reduction credit where appropriate.



1 SECTION 6. **Greenhouse gas emissions; consultation.** The
2 climate change task force may consult with other states, the
3 federal government, non governmental organizations, and, if
4 applicable, other nations to identify effective strategies and
5 methods to reduce greenhouse gases, manage greenhouse gas
6 control programs, and to facilitate the development of
7 integrated and cost-effective regional, national, and
8 international greenhouse gas emission reduction programs.

9 SECTION 7. **Emissions programs; community opportunities.**
10 The climate change task force shall ensure that the greenhouse
11 gas emission reduction rules, programs, mechanisms, and
12 incentives, where applicable and to the extent feasible, direct
13 public and private investment toward the most disadvantaged
14 communities in the state and provide an opportunity for small
15 businesses, schools, affordable housing associations, and other
16 community institutions to participate in the benefit from
17 statewide efforts to reduce greenhouse gas emissions.

18 SECTION 8. **State agencies; efforts to reduce emissions.**
19 (a) All state agencies shall consider and implement strategies
20 to reduce their greenhouse gas emissions.

21 SECTION 9. There is appropriated out of the environmental
22 response revolving fund the sum of \$ or so much thereof

1 as may be necessary for fiscal year 2007-2008 and the same sum
2 or so much thereof as may be necessary for fiscal year 2008-2009
3 for the department of business, economic development, and
4 tourism to carry out the purposes of this Act, including the
5 hiring of necessary staff.

6 The sums appropriated shall be expended by the department
7 of business, economic development, and tourism for the purposes
8 of this Act.

9 SECTION 10. This Act does not affect rights and duties
10 that matured, penalties that were incurred, and proceedings that
11 were begun, before its effective date.

12 SECTION 11. If any provision of this Act, or the
13 application thereof to any person or circumstance is held
14 invalid, the invalidity does not affect other provisions or
15 applications of the Act, which can be given effect without the
16 invalid provision or application, and to this end the provisions
17 of this Act are severable.

18 SECTION 12. This Act shall take effect on July 1, 2025.



Report Title:

Environmental Quality; Greenhouse Gas Emissions

Description:

Requires the Department of Business, Economic Development, and Tourism to convene a task force that shall prepare a scoping plan for achieving reductions in greenhouse gas emissions from sources or categories of sources of greenhouse gases by 2020. Requires adoption of a statewide greenhouse gas emissions limit equivalent to the statewide gas emissions levels in 1990 to be achieved by 2020. Allows the adoption of rules to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. Authorizes the adoption of market-based compliance mechanisms. (SB1612 HD2)

