

A BILL FOR AN ACT

RELATING TO CLIMATE MITIGATION.

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

| 1 | PART I |
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| 2 | SECTION 1. The legislature finds that climate change is |
| 3 | the overriding challenge of the twenty-first century. Climate |
| 4 | change poses immediate and long-term threats to Hawaii's |
| 5 | economy, public health, natural resources, environment, and way |
| 6 | of life. |
| 7 | The legislature further finds that numerous measures were |
| 8 | passed in recent decades to address climate change and reduce |
| 9 | the State's contribution to climate-warming greenhouse gas |
| 10 | emissions. In the regular session of 2021, Senate Concurrent |
| 11 | Resolution No. 44, S.D. 1, H.D. 1, was adopted, making Hawaii |
| 12 | the first state in the nation to declare a climate emergency and |
| 13 | calling for a statewide commitment to a decarbonized economy. |
| 14 | Through Act 74, Session Laws of Hawaii 2021, the legislature set |
| 15 | a goal to transition all light-duty state fleet vehicles to be |
| 16 | zero-emissions by 2035. Act 15, Session Laws of Hawaii 2018, |
| 17 | established a zero emissions clean economy target for the State |

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- 1 to sequester more atmospheric carbon and greenhouse gases than
- 2 emitted by no later than 2045. With Act 97, Session Laws of
- 3 Hawaii 2015, a one hundred per cent renewable portfolio standard
- 4 for electric utilities was established, requiring one hundred
- 5 per cent of the State's electricity to be generated from
- 6 renewable energy sources by 2045, making Hawaii the first state
- 7 to set out to eliminate fossil fuels from the electric grid.
- 8 The legislature additionally finds that fifteen years ago,
- 9 Act 234, Session Laws of Hawaii 2007, was passed, which
- 10 established a goal to reduce statewide greenhouse gas emissions
- 11 to below 1990 levels by 2020. The 2020 goal was achieved, but
- 12 it is notable that there are no decarbonization targets in
- 13 Hawaii law until 2045, which is twenty-three years into the
- 14 future. The legislature believes that it is imperative to
- 15 continue to build on Hawaii's momentum in its climate mitigation
- 16 efforts by establishing near-term decarbonization targets.
- 17 The legislature also finds that, as the State progresses
- 18 toward a fully decarbonized economy, the challenges of
- 19 addressing hard-to-decarbonize sectors will also increase. In
- 20 order to achieve the goal of a fully decarbonized economy, the
- 21 State needs to plan ahead and understand the steps that need to

1 be taken to create a carbon-negative economy by 2045, as 2 required by Act 15, Session Laws of Hawaii 2018. 3 Therefore, the purpose of this Act is to: Establish a goal for the statewide greenhouse gas (1)5 emissions limit to be at least seventy per cent below 6 2005 levels by 2030; and 7 (2) Require the Hawaii state energy office to conduct a 8 study to determine Hawaii's pathway to decarbonization 9 and identify challenges, opportunities, and actions 10 that will be needed to achieve those goals. 11 PART TT 12 SECTION 2. Section 342B-71, Hawaii Revised Statutes, is 13 amended to read as follows: 14 "[f]\$342B-71[f] Statewide greenhouse gas emissions limit, 15 adoption. (a) A statewide greenhouse gas emissions limit to be 16 achieved by $[\frac{2020}{2020}]$ 2030 is hereby established that is $[\frac{2020}{2020}]$ 17 or] at least seventy per cent below the level of the statewide 18 greenhouse gas emissions in [1990, as determined by section 3 of 19 Act 234, Session Laws of Hawaii 2007; provided that for the 20 purposes of this Act greenhouse gas emissions from airplanes

shall not be included.] 2005.

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| 1 | (b) The director shall submit a report to the legislature |
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| 2 | by December 31, 2023, indicating a measurement of the 2005 |
| 3 | greenhouse gas emissions in the State, including emissions from |
| 4 | airplanes. |
| 5 | (c) The director shall complete an annual greenhouse gas |
| 6 | inventory report to track emissions and determine progress |
| 7 | towards achieving the greenhouse gas emissions limit established |
| 8 | in subsection (a) and submit the report to the legislature no |
| 9 | later than twenty days prior to the convening of each regular |
| 10 | session." |
| 11 | SECTION 3. Section 342B-72, Hawaii Revised Statutes, is |
| 12 | amended as follows: |
| 13 | 1. By amending subsections (a) and (b) to read: |
| 14 | "(a) Before December 31, $[\frac{2011}{7}]$ $\underline{2023}$, the director shall |
| 15 | adopt rules pursuant to chapter 91: |
| 16 | (1) Establishing greenhouse gas emission limits applicable |
| 17 | to sources or categories of sources, to be achieved by |
| 18 | January 1, $[\frac{2020_r}{2030_r}]$ and establishing emission |
| 19 | reduction measures to achieve the maximum practically |
| 20 | and technically feasible and cost-effective reductions |
| 21 | in greenhouse gas emissions in furtherance of |

| I | achieving the statewide greenhouse gas emissions |
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| 2 | limit; and |
| 3 | (2) Requiring the reporting and verification of statewide |
| 4 | greenhouse gas emissions and to monitor and enforce |
| 5 | compliance with this part[$	au$ |
| 6 | to become operative beginning on January 1, 2012]. |
| 7 | (b) The director, to the extent feasible to achieve the |
| 8 | statewide greenhouse gas emissions limit, shall adopt rules |
| 9 | pursuant to chapter 91 and this section and based upon the |
| 10 | recommendations and findings of the work plan created pursuant |
| 11 | to section 6 of Act 234, Session Laws of Hawaii 2007." |
| 12 | 2. By amending subsection (e) to read: |
| 13 | (e) [After January 1, 2012, the] The director may revise |
| 14 | rules adopted pursuant to this section and adopt additional |
| 15 | rules to further this part." |
| 16 | PART III |
| 17 | SECTION 4. (a) The Hawaii state energy office shall |
| 18 | analyze pathways and develop recommendations for achieving the |
| 19 | State's economy-wide decarbonization goals, including the |
| 20 | statewide greenhouse gas emissions limit established pursuant to |
| 21 | section 342B-71, Hawaii Revised Statutes, and the goal to |

| 2 | emitted b | y no later than 2045, as detailed in Act 15, Session |
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| 3 | Laws of H | awaii 2018, codified at section 225P-5, Hawaii Revised |
| 4 | Statutes. | |
| 5 | (b) | As part of its analysis and development of |
| 6 | recommend | ations, the Hawaii state energy office shall: |
| 7 | (1) | Recommend regulatory or other state actions that will |
| 8 | | ensure the attainment of the State's decarbonization |
| 9 | | goals; |
| 10 | (2) | Include measures to reduce emissions from electricity |
| 11 | | including accelerating the adoption of clean energy |
| 12 | | and improving energy efficiency for residential, |
| 13 | | commercial, and government users; |
| 14 | (3) | Include land use and transportation planning measures |
| 15 | | aimed at reducing emissions from the transportation |

(4) Recommend state actions to address emissions

to encourage electrification and adoption of

associated with air travel and shipping, including how

sequester more atmospheric carbon and greenhouse gases than

sector;

alternative fuels;

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| 1 | (5) | Recommend best management practices in the |
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| 2 | | agricultural sector; |
| 3 | (6) | Include long-term carbon sequestration and carbon |
| 4 | | capture and utilization opportunities; |
| 5 | (7) | Make recommendations to aid in the transition of the |
| 6 | | state workforce to meet the needs of a decarbonized |
| 7 | | economy; |
| 8 | (8) | Consider impacts to environmental justice, frontline, |
| 9 | | and low-income communities and make recommendations |
| 10 | | for how to mitigate any impacts to these communities |
| 11 | | and to facilitate a just transition to a decarbonized |
| 12 | | economy; |
| 13 | (9) | Determine the most cost-effective pathway to |
| 14 | | decarbonization; and |
| 15 | (10) | Rank recommendations based on level of impact, cost, |
| 16 | | and ease of implementation. |
| 17 | (c) | In preparing the analysis, the Hawaii state energy |
| 18 | office sh | all consult and collaborate with other state agencies, |
| 19 | the count | ies, and relevant stakeholders and organizations. |
| 20 | (d) | The Hawaii state energy office shall submit a report |
| 21 | of its an | alysis and recommendations to the legislature no later |

- than twenty days prior to the convening of the regular session 1
- 2 of 2023.
- 3 SECTION 5. There is appropriated out of the energy
- 4 security special fund the sum of \$ or so much thereof
- 5 as may be necessary for fiscal year 2022-2023 for the Hawaii
- state energy office to analyze pathways and develop
- 7 recommendations for achieving the State's economy-wide
- 8 decarbonization goals, as required pursuant to section 4 of this
- 9 Act; provided that the amount expended shall not count toward
- 10 any expenditure ceiling of the energy security special fund.
- 11 The sum appropriated shall be expended by the Hawaii state
- energy office for the purposes of this Act. 12
- 13 PART IV
- SECTION 6. Statutory material to be repealed is bracketed 14
- and stricken. New statutory material is underscored. 15
- 16 SECTION 7. This Act shall take effect upon its approval;
- provided that section 5 shall take effect on July 1, 2022. 17

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INTRODUCED BY: Misle E. Lover

JAN 2 1 2022

Report Title:

Greenhouse Gas Emissions Limit; Hawaii State Energy Office; Pathway to Decarbonization; Study; Energy Security Special Fund; Appropriation

Description:

Establishes a goal for the statewide greenhouse gas emissions limit to be at least seventy per cent below 2005 levels by 2030. Requires the Hawaii state energy office to conduct a study to determine Hawaii's pathway to decarbonization and identify challenges, opportunities, and actions that will be needed to achieve those goals. Appropriates funds out of the energy security special fund for the study.

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