



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:
Web:

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARK B. GLICK
CHIEF ENERGY OFFICER

(808) 451-6648
energy.hawaii.gov

Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON FINANCE

Wednesday, April 2, 2025
3:30 PM
State Capitol, Conference Room 308 and Videoconference

In SUPPORT of
SB 1396, SD3, HD2

RELATING TO ECONOMIC DEVELOPMENT.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 1396, SD3, HD2, an Administration measure, which beginning on January 1, 2027, amends the Transient Accommodations Tax (TAT) rate, assesses the TAT on cruise ship cabins based on the total time the cruise ship is docked at any port in the State, and appropriates funds to the Department of Land and Natural Resources (DLNR) for protection, management, and restoration of the State's natural resources as well as for environmental stewardship, climate and hazard mitigation, and sustainable tourism.

HSEO concurs with the Legislature's finding that immediate investments in projects relating to environmental stewardship, climate and hazard mitigation, and sustainable tourism are needed to protect Hawai'i's economy and people. HSEO believes dedicated special funds are a direct and efficient mechanism for state agencies to finance, procure, and build government infrastructure projects. With a balanced approach, HSEO believes the TAT is an appropriate and effective vehicle to fund such investments given their long-term benefits to Hawai'i's visitor industry.

Every resident, business, visitor, and service in Hawai'i is impacted by major infrastructure disruptions caused by climate events. Coastal and community resilience

requires coordination between all sectors. HSEO advocates for the funds to be made available to multiple departments to execute projects that fall within their purviews. HSEO stands ready to support the agencies and entities tasked with investment of these needed funds; particularly those projects related to energy and transportation resilience.

As this is a fiscal issue, we defer to the appropriate agency for comment.

Thank you for the opportunity to testify.