

OFFICE OF PLANNING STATE OF HAWAII

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DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR
OFFICE OF PLANNING

Statement of
MARY ALICE EVANS
Director, Office of Planning
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
Wednesday, March 24, 2021
2:00 PM
State Capitol
in consideration of
SB 304, SD 2
RELATING TO CARBON OFFSETS

Chair Johanson, Vice Chair Kitagawa, and Members of the House Committee:

The Office of Planning offers the following **comments** on SB 304, SD2.

In accordance with [Act 16, Session Laws of Hawai'i 2018](#), the Office of Planning investigated and recently published the "[Feasibility and Implications of Establishing a Carbon Offset Program for the State of Hawai'i](#)" on December 26th, 2019. The publication was electronically provided to the Hawai'i State Legislature and is also available at the Office of Planning's website.

The Office of Planning notes that sections 7.2 (pages 49-51) and 7.4 (pages 52-53) of the feasibility report describes the requirements of developing a potential carbon offset program for the State of Hawai'i.

As explained on page 51 of the feasibility analysis, it is unlikely that the State of Hawai'i would generate significant revenue through the production of offsets, and any trading of offset credits produced within Hawai'i would be limited by the State's [Zero Emissions Clean Economy target](#).

Through this publication, the Office of Planning instead recommended the adoption of alternative fuels in transportation, including sustainable aviation fuels, to reduce Hawai'i's greenhouse gas emissions to meet Hawai'i's Zero Emissions Clean Economy target by 2045

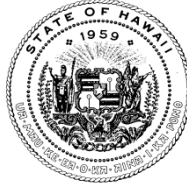
International climate action has significantly influenced markets and corporations to reduce greenhouse gas emissions, including Boeing's recent commitment to transition its commercial aircraft to be ready to fly 100% on sustainable aviation fuels by 2030.

The State of Hawai'i likewise established a strong foundation of greenhouse gas reduction policies through statutory targets to achieve a 100% Renewable Portfolio Standard, and enacting the state's commitment to a Zero Emissions Clean Economy, with both of these targets to be achieved by 2045.

Instead of implementing a carbon offset program, the State of Hawai'i should build on its existing greenhouse gas reduction policies and programs to develop the most economically viable mechanisms to facilitate reaching the Zero Emissions Clean Economy target by the year 2045.

Mahalo for this opportunity to submit testimony on SB 304, SD 2.

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
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LYNN A.S. ARAKI-REGAN
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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 24, 2021
2:00 p.m.
State Capitol Room 211 and Via Videoconference

S.B. 304, S.D. 2
RELATING TO CARBON OFFSETS

Senate Committee(s) on Consumer Protection & Commerce

The Department of Transportation (DOT) offers **comments** on this bill which establishes procedures for the Department of Transportation to assist and enable a person to voluntarily purchase as verified carbon offset for carbon dioxide emissions from the person's air travel to or from an airport in the State.

The DOT is concerned with the funding source from airport personnel to facilitate and provide process oversight. Utilization of airport personnel to support this service would be a diversion of Airport Revenues and jeopardize Federal Aviation Administration grant assurances.

Thank you for the opportunity to provide testimony.



To: The House Committee on Consumer Protection & Commerce
From: Sherry Pollack, 350Hawaii.org
Date: Wednesday, March 24, 2021, 2pm

In strong opposition to SB304 SD2

Aloha Chair Johanson, Vice Chair Kitigawa, and Consumer Protection & Commerce Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **strongly opposes SB304 SD2**

SB304 SD2 states the legislature finds that climate change is the most pressing issue of our time. 350Hawaii fully agrees. The planet faces an existential climate crisis and we must act now.

This bill also states the legislature recognizes that air travelers are “increasingly aware” of the climate change implications of their travel and seeks to use carbon offsets as an antidote to what some have termed “Flight shaming.” But while carbon offset schemes claim to compensate for emissions with no cost to the climate – they don’t actually do that, they are simply an accounting trick.

According to the UN IPCC report, if we are serious about averting catastrophic planetary changes, we need to reduce emissions by 45 percent by 2030. Trees planted today can’t grow fast enough to achieve this goal. A newly planted tree can take as many as 20 years to capture the amount of CO2 that a carbon offset scheme promises. And during those decades we have to hope that this tree will survive the droughts, wildfires, and tree diseases that are occurring because of the global warming humans continue to cause by our on-going greenhouse gas emissions.

Moreover, new research shows that the Earth’s overheated climate will alter forests at a global scale. The study suggests that by 2040 forests will take up only half as much CO2 from the atmosphere as they do now, if global temperatures keep rising at the present pace, and that trees will start to exhale more CO2 than they can take in through photosynthesis.

Bottomline, carbon offsets are a distraction from the real solution to climate change, which is to reduce our carbon emissions. Offsetting simply allows companies like airlines to avoid taking meaningful action on their carbon emissions and to continue with their unsustainable behavior while shifting their responsibility for the climate onto the consumer.

If we’re serious about tackling climate change, there is only one answer to the problem: reducing our emissions. And that will mean moving away from a tourist economy to one that is more diversified and resilient.

Polluting industries have helped to “fuel” the denial that has enabled blocking any meaningful action to confront global warming. As a result, we have lost precious time and are now in the midst of a climate crisis. We cannot afford to waste more time on PR schemes. Our only recourse now is to act swiftly and boldly to reduce our greenhouse gas emissions lest we steal our children’s future. We must continue to do our part to avoid the most devastating impacts of climate change.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org

SB-304-SD-2

Submitted on: 3/23/2021 11:55:09 AM

Testimony for CPC on 3/24/2021 2:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|--------------|----------------------------|--------------------|--------------------|
| Ted Bohlen | Climate Protectors Hawai'i | Oppose | No |

Comments:

To: The Honorable Aaron Ling Johanson, Chair,

The Honorable Lisa Kitagawa, Vice Chair, and Members of the

House Committee on Consumer Protection and Commerce

From: Climate Protectors Hawai'i

RE: SB304 SD2 RELATING TO CARBON OFFSETS

Hearing Date: Wednesday, March 24, 2021, 2:00 pm, by videoconference

Aloha Chair Johanson, Vice Chair Kitagawa, and Consumer Protection and Commerce Committee members:

The Climate Protectors Hawai'i is a group focused on reversing the climate crisis and encouraging Hawai'i to lead the world towards a safe and sustainable climate and future. The Climate Protectors Hawai'i **OPPOSES SB493 SD2!**

As a tropical island State, Hawai'i will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become carbon negative as soon as possible.

The purpose of this Act is to establish a carbon offsetting and reduction scheme that may appeal to air travelers who are aware of the climate change implications of their travel. However, unless the offsets are connected to measures that actually reduce greenhouse gas emissions or sequester atmospheric carbon, **offsets can be just "feel-good greenwashing."** This is similar to well-intentioned people recycling plastic that may end up being burned at H-Power or sent to Asian countries with inadequate landfills, ending up in the ocean and eventually on Hawaii's beaches from the Great Pacific garbage patch.

The Climate Protectors Hawai'i note the testimony of the Office of Planning:

it is unlikely that the State of Hawai'i would generate significant revenue through the production of offsets, and any trading of offset credits produced within Hawai'i would be limited by the State's Zero Emissions Clean Economy target. Through this publication, the Office of Planning instead recommended the adoption of alternative fuels in transportation, including sustainable aviation fuels, to reduce Hawai'i's greenhouse gas emissions to meet Hawai'i's Zero Emissions Clean Economy target by 2045. ... Instead of implementing a carbon offset program, the State of Hawai'i should build on its existing greenhouse gas reduction policies and programs to develop the most economically viable mechanisms to facilitate reaching the Zero Emissions Clean Economy target by the year 2045.

There also may be legal problems under the US Constitution Commerce Clause with an offset program that collects from travelers from other states but benefits Hawai'i exclusively. Also, as DOT noted in testimony:

The DOT is concerned with the funding source from airport personnel to facilitate and provide process oversight. Utilization of airport personnel to support this service could be a diversion of Airport Revenues and jeopardize Federal Aviation Administration grant assurances.

For these reasons, the Climate Protectors Hawai'i urges you to **DEFER** this bill!
Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

March 24, 2021, 2:00 P.M.

Video Conference

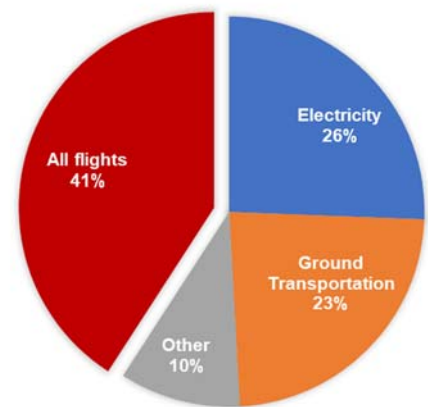
TESTIMONY IN SUPPORT OF SB 304 SD2

Aloha Chair Johanson, Vice Chair Kitagawa, and members of the Committee:

Blue Planet Foundation **supports SB 304 SD2, establishing a voluntary carbon offset program** for individuals traveling to or from Hawai'i by air. Such a program can help Hawai'i accelerate its carbon reduction goals while low-carbon alternatives for air travel are developed.

Aviation is Hawai'i's largest single source of carbon emissions (when international and round-trip flights are considered), comprising over 40% of the state's overall emissions, as shown in the chart below.¹ Until lower carbon alternatives to jet travel are commercialized, it makes sense to provide an option for travelers to offset their carbon emissions through a verified carbon offset program. Blue Planet believes that such a Hawai'i-specific program should provide for the offset of 100% of air travel carbon emissions through a combination of renewable energy, energy efficiency, and clean mobility projects for communities, schools, and nonprofits (with a particular focus on lower-income areas and residents), in combination with terrestrial offsets such as tree planting and sustainable agriculture support.

HAWAII'S CARBON EMISSIONS



Thank you for the opportunity to provide testimony.

¹ Estimate of annual greenhouse gas emissions based on DBEDT Monthly Energy Trend data; EPA's eGrid data; the State of Hawaii's "Hawaii Greenhouse Gas Emissions Report for 2015"; Hawaiian Airlines 2018 Annual Report; and other sources. Flight emissions include round-trip and international flights.



Environmental Caucus of The Democratic Party of Hawai'i

March 24, 2021

To: House Committee on Consumer Protection & Commerce
Representative Aaron Ling Johanson, Chair
Representative Lisa Kitagawa, Vice Chair, and
Members of the Committee on Consumer Protection & Commerce

Re: SB304, SD2 – RELATING TO CARBON OFFSETS

Hearing: Wednesday, March 24, 2021, 2:00 p.m., Room 329 via videoconference

Position: **OPPOSITION**

Aloha Chair Johanson, Vice Chair Kitagawa, and Members of the Committee on Consumer Protection & Commerce:

The Environmental Caucus of the Democratic Party of Hawai'i and its Natural Resources Committee and Human Environmental Impacts Committee are in **OPPOSITION** to SB304, SD2 as it establishes procedures for the department of transportation to assist and enable a person to voluntarily purchase a verified carbon offset for carbon dioxide emissions resulting from the person's air travel to or from an airport in the State.

The Democratic Party of Hawai'i (Party) has adopted at its 2018 State Convention, clear safeguards to protect the *'āina* through combating climate change by eliminating fossil fuels through electrification. At page 18 of the Party Platform, it specifically provides:

“We are committed to getting 100 percent of our electricity from clean energy sources within a decade. . . . We will transform Hawai'i's transportation by reducing fossil fuel consumption through cleaner fuels, vehicle electrification, and increasing the fuel efficiency of cars, boilers, ships, and trucks. We will make new investments in public transportation and build bicycle and pedestrian infrastructure across our urban and suburban areas. . . .

Democrats are committed to defending, implementing and extending smart pollution and efficiency standards and fuel economy standards for automobiles and heavy-duty vehicles, building codes and appliance standards. We are also committed to expanding clean energy research and development.



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We will work to expand access to cost-saving renewable energy by low-income households, create good-paying jobs in communities that struggled with energy poverty, and oppose efforts by utilities to limit consumer choice or slow clean energy deployment. We will streamline State permitting to accelerate the construction of new transmission lines to get low-cost renewable energy to market, and incentivize wind, solar, and other renewable energy.”

While SB304, SD2 may appear to be consistent with the Democratic Party Platform, it unfortunately is not. While carbon offsetting and reduction scheme may appeal to air travelers under the mistaken belief that buying carbon offsets will somehow fit into a sustainability and resiliency plan to combat climate change, it plainly does not. Unless the offsets are connected to measures that actually reduces greenhouse gas emissions or sequester atmospheric carbon, these carbon offsets will do nothing to discourage the use of jet fuel while air travelling and will do nothing to reduce the carbon footprint.

As a tropical island State, Hawai'i is among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, food insecurity, and rising sea levels destroying our shorelines. We have already lost East Island during Hurricane Walaka in October 2018, which eliminated valuable habitats for the endangered Hawaiian Monk Seal, green sea turtles and nesting grounds for albatross. Rising sea levels are also eroding away low-lying islands, with several fragments of land in the Pacific vanishing in recent years. *See, [Hawaiian island erased by powerful hurricane: 'The loss is a huge blow' | Hawaii | The Guardian](#)*

We must do all we can to reduce our carbon footprint and become carbon negative as soon as possible but unfortunately, SB304, SD2 is not the way forward as it does nothing to assist in reducing our carbon footprint and it might even increase it by unknowing travelers increasing their travels to Hawai'i under the mistaken belief that buying carbon offsets would actually be helping the environment.

Please note and the Environmental Caucus joins in the testimony of the Office of Planning: “It is unlikely that the State of Hawai'i would generate significant revenue through the production of offsets, and any trading of offset credits produced within Hawai'i would be limited by the State's Zero Emissions Clean Economy target. Through this publication, the Office of Planning instead recommended the adoption of alternative fuels in transportation, including sustainable aviation fuels, to reduce Hawai'i's greenhouse gas emissions to meet Hawai'i's Zero Emissions Clean Economy target by 2045. ... Instead of implementing a carbon offset program, the State of Hawai'i should build on its existing greenhouse gas reduction policies and programs to develop the most economically viable mechanisms to facilitate reaching the Zero Emissions Clean Economy target by the year 2045.



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In addition, SB304, SD2, may be in violation of the US Constitution Commerce Clause with an offset program that collects from travelers from other states but benefits only Hawai'i exclusively.

Please defer this measure.

Thank you very much for the opportunity to testify on this issue.

Respectfully yours,

Alan B. Burdick
Co-Chair, Environmental Caucus
Co-Chair, Natural Resources Committee
Democratic Party of Hawai'i
Email: burdick808@gmail.com

Melodie R. Aduja
Co-Chair, Environmental Caucus
Co-Chair, Human Environmental Impacts Committee
Democratic Party of Hawai'i
Email: legislativepriorities@gmail.com

SB-304-SD-2

Submitted on: 3/22/2021 4:53:12 PM

Testimony for CPC on 3/24/2021 2:00:00 PM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Kimo Cruz | Individual | Oppose | No |

Comments:

Carbon should be free.