

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 1584
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Higher Education and Energy, Economic Development, and Tourism, to which was referred H.B. No. 1584, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CARBON EMISSIONS,"

beg leave to report as follows:

The purpose and intent of this measure is to appropriate funds to the University of Hawaii to conduct a comprehensive study of a statewide carbon tax.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawai'i System, Ulupono Initiative, Healthy Climate Communities, Elemental Exceleator, Environmental Caucus of the Democratic Party of Hawai'i, Pono Hawai'i Initiative, Young Progressives Demanding Action, Hawaii Appleseed Center for Law and Economic Justice, IMUAlliance, Sierra Club of Hawai'i, Blue Planet Foundation, Hawaii Petroleum Marketers Association, Young Democrats of Hawaii, Organizing for Action, and seventeen individuals. Your Committees received comments on this measure from the Office of Planning and Tax Foundation of Hawaii.

Your Committees find that pricing carbon emissions via a tax on fossil fuels has emerged as a broadly supported, economically efficient, and effective policy tool to reduce emissions.



However, if not designed correctly, a carbon tax could disproportionately impact low- to moderate-income residents. Therefore, it is necessary to consider ways to implement a carbon tax that offsets its regressive nature. This measure would help policymakers better understand the opportunities, impacts, and options that a carbon price policy could bring to Hawaii in reaching the State's ambitious carbon reduction goals.

Your Committees have amended this measure by:

- (1) Requiring and appropriating funds for the Office of Planning, rather than the University of Hawaii, to conduct a study and submit reports to the Legislature regarding the implementation of a statewide carbon tax; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1584, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1584, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Higher Education
and Energy, Economic
Development, and Tourism,



GLENN WAKAI, Chair

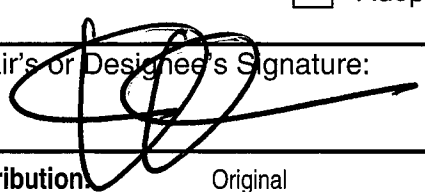


DONNA MERCADO KIM, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

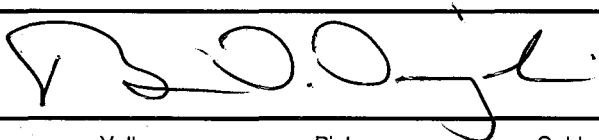
Record of Votes
Committee on Higher Education
HRE

Bill / Resolution No.:* HB 1584 HD2	Committee Referral: HRE/EET, WAM	Date: 3/15/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			/
KIDANI, Michelle N. (VC)				/
KAHELE, Kaiali'i	/			
KEITH-AGARAN, Gilbert S.C.				/
FEVELLA, Kurt	/			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-size: 2em; margin-top: 10px;">  </div>				
Distribution	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy

*Only one measure per Record of Votes

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Energy, Economic Development, and Tourism
EET

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1584 HD2	HRE/EET, WAM	3/15/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
INOUE, Lorraine R.				✓
KEOHOKALOLE, Jarrett	✓			
FEVELLA, Kurt	✓			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

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