

DAVID Y. IGE  
Governor

JOSH GREEN  
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER  
Chairperson, Board of Agriculture

MORRIS M. ATTA  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON FINANCE

FEBRUARY 25, 2020  
12:30 P.M.  
CONFERENCE ROOM 325

HOUSE BILL NO. 2701 HD1  
RELATING TO THE ENVIRONMENT

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2701 HD1. This measure requires the departments who receive a portion of the Environmental Response, Energy, and Food Security Tax for distribution to their respective revolving and special funds to determine how the actions using their respective funds can assist the State in achieving the 'zero emissions clean economy target' (Section 225P-5(a)). This measure also requires each department's annual report to the legislature on their respective funds to explain how the expenditures made support the State's clean energy economy and climate change resilience. The Department offers comments specific to the requirements affecting the Agricultural Development and Food Security Special Fund and an amendment.

The Department of Agriculture understands and does not dispute the guidance contained in the Hawaii Climate Change Mitigation and Adaptation Initiative (Chapter 225P). Please note that the Department is a charter member of the Hawaii Climate Change Mitigation and Adaptation Commission and the Greenhouse Gas Sequestration Task Force, both functions established under Chapter 225P. In both organizations, the Department seeks to balance the needs of Hawaii's production agricultural operations and their potential role, within reason, to mitigate "...greenhouse gas emissions by sequestering more atmospheric carbon and greenhouse gases that the State produces." (Section 225P-1(2))

We are equally serious about our responsibilities to properly advance the



nine purposes to which the Agricultural Development and Food Security Special Fund (hereinafter Food Security Special Fund) are to be applied (Section 141-10(c)). These purposes directly target agricultural production and processing such as agricultural resources, agricultural research, agricultural equipment, plant quarantine, promotion and marketing of agricultural products, water testing, and other activities "...intended to increase agricultural production or processing that may lead to reduced importation of food, fodder, or feed from outside the State." These purposes also directly support the doubling of local food production by 2030, and increasing food self-sufficiency, both initiatives of the Legislature (in Act 151 SLH 2019) and the Administration (though the Administration set a 2020 goal in the Sustainable Hawaii Initiative).

We point out that Section 225P-5(b) explains how agencies are to consider the 'zero emissions clean economy target' in their planning and decisions.

"(b) The Hawaii climate change mitigation and adaptation commission shall endeavor to achieve the goals of this section. After January 1, 2020, agency plans, decisions, and strategies shall give consideration to the impact of those plans, decisions, and strategies on the State's ability to achieve the goals in this section, weighed appropriately against their primary purpose."  
(emphases added)

Supporting increased local agricultural production is the "primary purpose" of the Food Security Special Fund and that the extent to which agricultural producers and owners of agricultural lands can assist the State in achieving the zero emissions clean economy target as an outcome of the work of the Hawaii Climate Change Mitigation and Adaptation Commission and the Greenhouse Gas Sequestration Task Force should be sufficient evidence of overall effort, thus negating the need for Section 4 of the bill, as follows:

~~"SECTION 4. Section 141-10, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:~~

~~"(d) The department of agriculture shall submit a report to the legislature no later than twenty days prior to the convening of each regular session on the status and progress of existing programs and activities and the status of new programs and activities funded under the agricultural~~

~~development and food security special fund. The report shall also include:~~

~~—— (1) The spending plan of the agricultural development and food security special fund[;], including an analysis of how the spending plan will support achieving the zero emissions clean economy target set forth in section 225P-5 and will increase the resilience of the State's food systems to the impacts of climate change;~~

~~—— (2) All expenditures of agricultural development and food security special fund moneys[;], including an explanation of how these expenditures have supported achieving the zero emissions clean economy target set forth in section 225P-5 and increased the resilience of the State's food systems to the impacts of climate change;~~

~~—— (3) The targeted markets of the expenditures, including the reason for selecting those markets;~~

~~—— (4) The persons to be served using the expenditures; and~~

~~—— (5) The specific objectives of the expenditures, including measurable outcomes."~~

Thank you for the opportunity to testify on this measure.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

---

Testimony Presented to the  
Senate Committee on Agriculture and Environment  
Friday, March 13, 2020 at 2:45 p.m.

By

Richard Rocheleau, Director  
Hawai'i Natural Energy Institute

And

Michael Bruno, PhD

Provost

University of Hawai'i at Mānoa

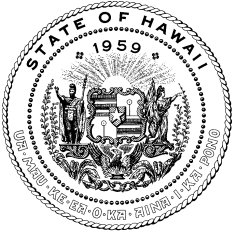
### HB 2701 HD1 – RELATING TO THE ENVIRONMENT

Chair Gabbard, Vice Chair Ruderman, and members of the committee:

The Hawai'i Natural Energy Institute (HNEI) supports HB 2701 HD1, which would require agencies allotted a portion of the environmental response, energy, and food security tax to consider actions in achieving the zero emissions clean economy target and climate resilience, and require reporting.

Currently, HNEI collaborates and coordinates much of the activity funded by the energy systems development special fund (ESDSF) with various energy stakeholders, including the State Energy Office, the Public Utilities Commission, the utilities, technology developers and others. Although a primary purpose of the ESDSF is to develop technologies and approaches to help reduce Hawaii's dependence on fossil fuels, HNEI has increasingly been doing so in the context of assessing emissions impacts and the resiliency of our power systems. We agree that it is important to coordinate as much as possible across sectors in order to have the greatest impact in advancing the State's policy goals with respect to emissions and climate resilience.

Thank you for the opportunity to comment on HB 2701 HD1.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5<sup>TH</sup> Floor, Honolulu, HI 96813 | energy.hawaii.gov

DAVID Y. IGE  
GOVERNOR

SCOTT J. GLENN  
CHIEF ENERGY OFFICER

(808) 587-3807

## Testimony of **SCOTT J. GLENN, Chief Energy Officer**

before the  
**SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT**  
Friday, March 13, 2020  
2:45 PM  
State Capitol, Conference Room 224

### In SUPPORT of **HB 2701, HD1** **RELATING TO THE ENVIRONMENT.**

Chair Gabbard, Vice Chair Ruderman, and Members of the Committee, the Hawaii State Energy Office (HSEO) supports HB 2701, HD1, which requires agencies receiving an allocation from the Environmental Response, Energy and Food Security Tax (“Barrel Tax”) to consider how use of these monies can also assist the State in achieving the zero emissions clean economy target and increase the resilience of the State’s energy systems to the impacts of climate change. HB 2701, HD1, also requires annual reporting of how expenditures supported these objectives.

The HSEO’s Energy Security Special Fund (ESSF) is allocated \$0.05 of the tax on each barrel of fossil fuel from the Barrel Tax. Having to consider the State’s zero emissions clean economy target and climate change resilience in its ESSF expenditure decisions would be consistent with the mission of the HSEO “to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy economy.”

In addition, the allowable uses of the ESSF pursuant to section 201-12.8(b), Hawaii Revised Statutes include:

- (1) To fund, to the extent possible, the climate change mitigation and adaptation commission and the greenhouse gas sequestration task force; and
- (2) To support achieving the zero emissions clean economy target set forth in section 225P-5.

The annual report prepared by the HSEO for the Legislature pursuant to section 201-12.8(c), Hawaii Revised Statutes which provides the status and progress of existing programs and activities and the status of new programs and activities funded by the ESSF, could be augmented to address the new reporting requirements proposed by HB 2701, HD1.

Thank you for the opportunity to testify.

**HB-2701-HD-1**

Submitted on: 3/9/2020 6:56:48 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

**HB-2701-HD-1**

Submitted on: 3/11/2020 11:24:59 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Climate Protector	Testifying for Climate Protectors Coalition	Support	No

Comments:



---

183 Pinana St., Kailua, HI 96734 • 808-262-1285 • [info@350Hawaii.org](mailto:info@350Hawaii.org)

To: The Senate Committee on Agriculture and Environment  
From: Brodie Lockard, Founder, 350Hawaii.org  
Date: Friday, March 13, 2020, 2:45 pm

**In support of HB 2701 HD1**

Dear Chair Gabbard, and members:

350Hawaii.org's 6,000 members support HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

The lege needs to stop wasting time with half-hearted measures and endless reports and start taking real action to bring the State's greenhouse gas emissions to zero by 2030.

Brodie Lockard  
Founder, 350Hawaii.org



**HB-2701-HD-1**

Submitted on: 3/12/2020 6:46:20 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
katherine kazlauskas	Testifying for 350hawaii.org	Support	No

Comments:

To: The Senate Committee on Agriculture and Environment

From: **Katherine Kazlauskas**

Date: Friday, March 13, 2020, 2:45 pm

**In support of HB 2701 HD1**

Dear Chair Gabbard, and members:

As one of 350Hawaii's 6,000 members, I HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

The legislation needs to stop wasting time with half-hearted measures and endless reports and start taking real action to bring the State's greenhouse gas emissions to zero by 2030.

**Katherine Kazlauskas**

**HB-2701-HD-1**

Submitted on: 3/10/2020 12:49:26 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Clara Kathman	Individual	Support	No

Comments:

**Rep. Mike Gabbard, Chair**

**Rep. Russell E. Ruderman, Vice Chair**

**COMMITTEE ON AGRICULTURE AND ENVIRONMENT**

**February 18, 2020**

**Support on House bill 2701 relating to the environment.**

**Hello, I am Clara Kathman a sophomore at Kalaheo High School and I fully support HB2701. The purpose of this bill is to take money from the environmental response, energy, and food security taxes and use it to take actions in achieving the zero-emissions clean economy target and climate change resilience. This will help move Hawaii toward a more carbon neutral and zero-waste future.**

**The state of Hawaii has already set goals to achieve 100% renewable energy in the electricity sector and zero-emissions from ground transportation by 2045. This house bill can help achieve these goals by providing appropriate funding that the government is already taking in. Thus this bill will not raise any taxes or take away any extra money from citizens but rather use money we already have to create a cleaner and healthier future for Hawaii.**

**Thank you for your time and consideration, and I truly hope that you will support House Bill 2701.**



**HB-2701-HD-1**

Submitted on: 3/11/2020 9:36:08 AM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kalena Castillo	Individual	Support	No

Comments:

**March 11, 2020**

**To: Mike Gabbard; Chair**

**Russel E. Ruderman; Vice Chair**

**From: Kalena Castillo**

**Subject: Testimony for HB2701, Relating to the Environment**

**Aloha! My name is Kalena Castillo and I am a 10th grader at Kalaheo High School. I strongly believe in HB2701 and would like to ask for your support. I urge you to vote yes and pass this bill. The implementation of a program that allocates funding to reduce fossil fuel use in Hawai'i will help curb climate change before it's too late.**

**Hawaii does not have many energy sources and needs more to survive. The sources that we have in Hawai'i are not produced here and are imported from different parts of the country. This is a good plan so we can spend less money on importing goods and produce more here. We can find more resources to use rather than bringing them in from different parts of the country, so we can be more dependent on our island rather than the mainland. To prevent the loss of money of taxpayers, greenhouse gases should be introduced to the environment because we can save our environment and save money as well. If this bill were to pass, Hawai'i could save thousands of dollars and also have a new better environment change.**

**If HB2701 is passed, me along with others will be very pleased and excited for the future of our islands. Thank you for your time and consideration, and please pass this bill.**

**Sincerely,**

**Kalena-Rose Castillo**

**HB-2701-HD-1**

Submitted on: 3/11/2020 5:31:09 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members:

Please support HB2701. Hawaii is considered a climate leader and targeting zero emissions will help in the fight against climate change, which is already occurring and negatively impacting our state whether it be in terms of coral bleaching due to warming or to rising sea levels.

Thank you for the opportunity to present my testimony.

Andrea Quinn

Kihei, Maui

**HB-2701-HD-1**

Submitted on: 3/11/2020 8:32:42 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Alec Dutil	Individual	Support	No

Comments:

**March 6, 2020**

**To:**

**Mike Gabbard, Chair**

**Russell E. Ruderman, Vice Chair**

**Members of the Agriculture and Environment Committee**

**Kaiali'i Kahele, Chair**

**Gilbert S.C Keith-Agaran, Vice Chair**

**Members of the Water and Land Committee**

**Donovan M. Dela Cruz, Chair**

**Gilbert S.C Keith-Agaran, Vice Chair**

**Members of the Ways and Means Committee**

**Requesting a hearing on HB2701 relating to the environment**

**Hello, my name is Alec Dutil and I am a freshman at Kalaheo High School. I would like to encourage you to pass HB2701, which would have a tremendous positive impact on the environment. This bill would implement a carbon tax that would help Hawaii become a safer and more desirable place. This bill will help every organism on our islands, therefore the positive impact will be extreme.**

**This bill will help Hawaii reach its goal of 100% renewable energy in the electricity sector and zero-emissions from ground transportation by 2045. The government is already financially invested in this goal so this bill will not take any more money. This bill will help Hawaii continue to be a safe sustainable place for years to come.**

**One of the main things we can do to stop these disastrous effects is greatly reduce our carbon emissions. Passing this bill would mean implementing a carbon tax that would urge corporations to reduce their own carbon footprint. If the bill passes companies and corporations will be discouraged to create excessive amounts of carbon pollution.**

**Thank you for your time and again, I truly hope you pass this bill.**

**Sincerely,**

**Alec Dutil**



**HB-2701-HD-1**

Submitted on: 3/11/2020 9:52:23 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
John Nix	Individual	Support	No

Comments:

Dear Chair Gabbard, and members:

As one of 350Hawaii's 6,000 members, I HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

The lege needs to stop wasting time with half-hearted measures and endless reports and start taking real action to bring the State's greenhouse gas emissions to zero by 2030.

Dr. John and Debra Nix, Kihei

**HB-2701-HD-1**

Submitted on: 3/11/2020 11:07:37 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
tlaloc tokuda	Individual	Support	No

Comments:

To: The Senate Committee on Agriculture and Environment

From: Tlaloc Tokuda

Date: Friday, March 13, 2020, 2:45 pm

**In support of HB 2701 HD1**

Dear Chair Gabbard, and members:

As one of 350Hawaii's 6,000 members, I HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

The lege needs to stop wasting time with half-hearted measures and endless reports and start taking real action to bring the State's greenhouse gas emissions to zero by 2030.

Mahalo for you consideration,

Tlaloc Tokuda

Kailua Kona HI 96740

**HB-2701-HD-1**

Submitted on: 3/12/2020 5:27:33 AM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Morioka	Individual	Support	No

Comments:

REQUIRE agencies allotted portions of the barrel tax to explain how their expenditures support the State's clean energy economy.

**HB-2701-HD-1**

Submitted on: 3/12/2020 7:18:53 AM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Gabbard and Members of the Committee on Agriculture and Environment,

I am writing in support of HB2701 HD1.

As one of 350Hawaii's 6,000 members, I HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

Please support this bill to make departments receiving funds to be more accountable by working towards a clean energy economy.

Mahalo,

Caroline Kunitake

**HB-2701-HD-1**

Submitted on: 3/12/2020 7:51:13 AM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
donald erway	Individual	Support	No

Comments:

**HB-2701-HD-1**

Submitted on: 3/12/2020 11:54:31 AM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mark K.Wilson III	Individual	Support	No

Comments:

**HB-2701-HD-1**

Submitted on: 3/12/2020 12:09:10 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ava Fedorov	Individual	Support	No

Comments:

Dear Chair Gabbard, and members:

As one of 350Hawaii's 6,000 members, I HB 2701 HD1.

The barrel tax was created both to promote clean energy and local food programs, and to discourage oil consumption. But much of its revenues have been diverted to the general fund. And some agencies using its funds could be using them better.

Requiring agencies allotted a portion of the barrel tax to "consider actions" is so vague as to be almost useless. But a required report explaining how the expenditures made support the State's clean energy economy and climate change resilience could be useful.

The lege needs to stop wasting time with half-hearted measures and endless reports and start taking real action to bring the State's greenhouse gas emissions to zero by 2030.

Sincerely,  
Ava Fedorov

**HB-2701-HD-1**

Submitted on: 3/12/2020 2:41:18 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jeremy Garrett	Individual	Support	No

Comments:

Agencies receiving revenue from the environmental response, energy, and food security tax should be required to use these in a constructive way directly related to Hawaii's goal of zero greenhouse gas emissions by 2030. I urge you to pass this measure.



**HB-2701-HD-1**

Submitted on: 3/12/2020 9:06:28 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sherry Pollack	Individual	Support	No

Comments:

**LATE**

**HB-2701-HD-1**

Submitted on: 3/13/2020 1:24:52 PM

Testimony for AEN on 3/13/2020 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Laura Gray	Individual	Support	No

Comments: