

STAND. COM. REP. NO.

68

Honolulu, Hawaii

FEB 10 2021

RE: S.B. No. 493  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 493 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the Hawaii agriculture and forest carbon positive incentive program.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Green Infrastructure Authority, Office of Planning, Climate Protectors Coalition, Sierra Club of Hawai'i, Supersistence, Environmental Caucus of the Democratic Party of Hawai'i, and four individuals. Your Committee received comments on this measure from the Department of Agriculture, Department of Taxation, Tax Foundation of Hawaii, and Life of the Land.

Your Committee finds that the State's commitment to uphold the Paris Climate Accord and progress towards its goal of a zero emissions clean economy by 2045 requires a reduction of emissions, mitigation of greenhouse gases, and investing in carbon positive actions to mitigate the State's carbon footprint. Your Committee also finds that smaller land management plays a significant role in managing natural and agricultural resources and are in need of incentives to reduce their carbon emissions and increase carbon sequestration to help the State meet food security and carbon



emission goals. Your Committee finds that this measure will streamline and fill in limitation gaps of existing programs aimed to help the State meet its carbon emission goals.

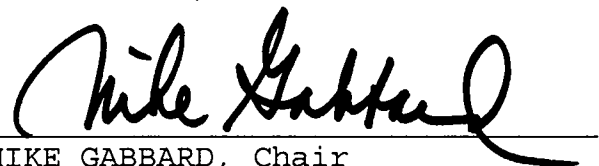
Your Committee has heard the concerns of the Department of Agriculture that the Department would need substantial assistance to acquire expertise in the development of compensation rates and carbon incentives contract terms, estimations of sequestration rates for priority sequestration activities, creation of the technical underpinning of compensation rates for sequestration activities, and conducting landowner outreach to oversee the program. Your Committee has also heard additional concerns about whether the Hawaii Green Infrastructure Authority is the appropriate agency to administer the program.

Your Committee has amended this measure by:

- (1) Inserting January 1, 2022, as the appropriation date of funds to ensure the proper functioning of the new barrel tax allocation to the newly established fund in conjunction with the Department of Accounting and General Services and Department of Budget and Finance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 493, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 493, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture and  
Environment,



MIKE GABBARD, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Agriculture and Environment**  
**AEN**

Bill / Resolution No.:* <b>SB 493</b>	Committee Referral: <b>AEN, WAM</b>	Date: <b>02/05/2021</b>
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The Committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312      Pass, with amendments 2311      Hold 2310      Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
ACASIO, Laura	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt	✓			
<b>TOTAL</b>	<b>5</b>			

Recommendation:      Adopted      Not Adopted

Chair's or Designee's Signature:  


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\*Only one measure per Record of Votes