

DAVID Y. IGE
GOVERNOR



TESTIMONY BY:

JADE T. BUTAY
DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 05, 2021
9:30 a.m.
State Capitol, Teleconference

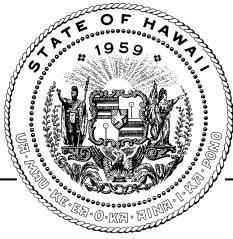
H.B. 683
RELATING TO SUSTAINABLE AVIATION FUEL

House Committee on Economic Development

The Department of Transportation (DOT) **supports** the intent of this bill to establish the sustainable aviation fuel program by appropriating general funds to provide grants to any business in Hawaii that is developing products related to sustainable aviation fuel or aviation greenhouse gas reduction.

The DOT welcomes renewable energy opportunities this program may bring in advancing Hawaii clean energy future by reducing Hawaii's dependence on fossil fuels.

Thank you for the opportunity to provide testimony.



OFFICE OF PLANNING STATE OF HAWAII

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <http://planning.hawaii.gov/>

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 ECONOMIC DEVELOPMENT
Friday, February 5, 2021
9:30 AM
State Capitol, Conference Room 312

in consideration of
HB 683
RELATING TO SUSTAINABLE AVIATION FUEL.

Chair Quinlan, Vice Chair Holt, and Members of the Senate Committee on Economic Development:

The Office of Planning supports the intent of this measure and offers the following comments. The purpose of HB 683 is to establish the sustainable aviation fuel program to provide matching grants to any small business in Hawai'i that is developing products related to sustainable aviation fuel or commercial aviation operations greenhouse gas reduction. The measure specifies moneys for the program are from legislative appropriations out of the environmental response, energy, and food security tax.

The Office of Planning and its newly established Statewide Sustainability Program is actively working on the sustainable development and climate adaptation of the state to meet the needs of the present without compromising the ability of future generations of Hawai'i to meet their own needs.

The Office of Planning recently published in December 2019 the [*Feasibility and Implications of Establishing a Carbon Offset Program for the State of Hawai'i*](#). The publication was provided to the Hawai'i State Legislature and is also available online at the Office of Planning's website. Through this publication, the Office of Planning recommended the adoption of alternative fuels in transportation to reduce Hawai'i's greenhouse gas emissions to meet Hawaii's laudable Zero Emissions Clean Economy Target by 2045.

The Office of Planning notes that the U.N. has declared this 2020-2030 decade as the "Decade of Action" to achieve the 2030 Sustainable Development Goals in alignment with the goals of the U.N. Paris Agreement. These international initiatives have significantly impacted 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.

HB 683 supports these greenhouse gas reduction efforts through the exploration and investment of a sustainable aviation fuel program in Hawai'i. The Office of Planning looks forward to supporting the Hawai'i Technology Development Corporation in these sustainable and climate adaptive endeavors.

Mahalo for the opportunity to submit testimony in support of HB 683.



**WRITTEN TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2021**

ON THE FOLLOWING MEASURE:

H.B. NO. 683, RELATING TO SUSTAINABLE AVIATION FUEL.

BEFORE THE:

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

DATE: Friday, February 5, 2021 **TIME:** 9:30 a.m.

LOCATION: State Capitol, Via Videoconference, Room 312

TESTIFIER(S): **WRITTEN TESTIMONY ONLY.**
(For more information, contact Andrew Goff,
Deputy Attorney General, at 586-1160)

Chair Quinlan and Members of the Committee:

The Department of the Attorney General makes the following comments.

The purpose of this bill is to establish a sustainable aviation fuel program within the Hawaii Technology Development Corporation through which grants may be provided to small businesses that are developing products related to sustainable aviation fuel or commercial aviation operations greenhouse gas reduction.

The bill contains a provision on page 3, lines 17-20, that states “[a]ll moneys necessary to carry out the purposes of this section shall be appropriated by the legislature from the environmental response, energy, and food security tax revenues under section 243-3.5.”

As this provision requires a future legislature to appropriate funds for the program, and limits that appropriation to a specific funding source, we have concerns about its enforceability.

The proposition that one legislature cannot bind a future legislature is derived from Article III, section 1, of the Hawaii State Constitution, which states:

The legislative power of the State shall be vested in a legislature, which shall consist of two houses, a senate and a house of representatives. Such power shall extend to all rightful subjects of legislation not inconsistent with this constitution or the Constitution of the United States.

The plain meaning of this section is that every legislature has complete authority to enact legislation unless restricted by the Hawaii State Constitution or the Constitution of the United States. A statute attempting to restrict the constitutional authority of a future legislature would violate article III, section 1, of the Hawaii State Constitution. *See, State ex. rel. Stenberg v. Moore*, 544 N.W.2d 344, 349 (Neb. 1996) (analyzing caselaw from several states upholding the general rule that a legislature cannot bind or restrict a succeeding legislature, and holding that a statute attempting to do so violates the state constitution).

The provision in this bill requiring any money necessary for the sustainable aviation fuel program be appropriated from a specific source could violate article III, section 1, of the Hawaii State Constitution and therefore we recommend that the provision on page 3, lines 17-20, be deleted.

Additionally, the bill does not appropriate funds for the sustainable aviation fuel program. If the intent of this bill is to fund the program, an appropriation section should be added to provide for this.

Thank you for the opportunity to testify.



Written Statement of
Len Higashi
Acting Executive Director
Hawaii Technology Development Corporation
before the
House Committee On Economic Development
Friday, February 5, 2021
9:30 a.m.
Videoconference

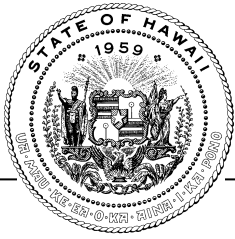
In consideration of
HB683
RELATING TO SUSTAINABLE AVIATION FUEL.

Chair Quinlan, Vice Chair Holt, and Members of the Committee.

The Hawaii Technology Development Corporation (HTDC) offers **comments** on HB683 that establishes the sustainable aviation fuel program to provide matching grants to any small business in Hawaii that is developing products related to sustainable aviation fuel or commercial aviation operations greenhouse gas reduction. Specifies moneys for the program are from legislative appropriations out of the environmental response, energy, and food security tax.

HTDC supports initiatives aimed at growing tech and innovation jobs. HTDC's Hawaii Center for Advanced Transportation Technologies has previously piloted various hydrogen fuel technology demonstrations. HTDC supports the intent of this initiative to reduce emissions through local innovation provided it does not supplant the priorities in the Administration's budget.

Thank you for the opportunity to offer these comments.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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

Telephone: (808) 587-3807
Fax: (808) 586-2536
Web: energy.hawaii.gov

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

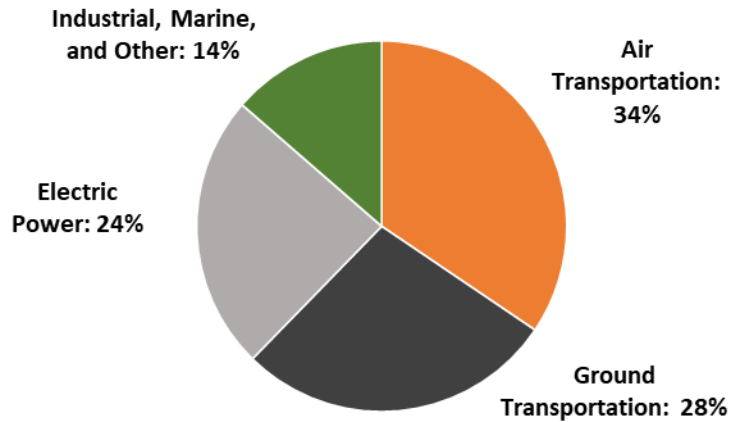
Friday, February 5, 2021
9:30 AM
State Capitol, Conference Room 312

Comments in consideration of
HB 683
RELATING TO SUSTAINABLE AVIATION FUEL

Chair Quinlan, Vice Chair Holt, and Members of the Committee, the Hawaii State Energy Office (HSEO) offers comments on HB 683, which would provide matching grants for products related to sustainable aviation fuel or commercial aviation greenhouse gas reduction.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, energy resiliency, and clean transportation to help achieve a decarbonized economy. Hawaii is dependent on aviation for its economy and way of life. The impacts of COVID-19 on tourism and subsequently on the production of jet fuel and other fossil fuels produced in Hawaii underscores the importance of aviation and aviation fuel to a thriving Hawaii. Furthermore, greenhouse gas emissions from air travel need to be addressed since jet fuel has historically been one of the largest sources of Hawaii's greenhouse gas emissions; as shown in the figure, the air transportation sector uses more petroleum than either ground transportation or electric power generation.

**HAWAII'S PETROLEUM USE BY
SECTOR, 2018**



Greenhouse gas reduction in aviation operations and the development of sustainable aviation fuels provide many opportunities for innovation. Hawaii is well positioned to develop solutions and to continue to be a leader in the promotion of sustainable aviation fuels, building upon the success of the Federal Green Initiative For Fuels Transition – Pacific (GIFTPAC), which was based in Hawai'i from 2009-2019, followed by the Hawaii Aviation and Climate Action Summit in 2019.

HSEO looks forward to successful developments in this important area.

Thank you for the opportunity to testify.