

STAND. COM. REP. NO. 1420-22

Honolulu, Hawaii

MAR 24 , 2022

RE: S.B. No. 3325
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 3325, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CARBON SEQUESTRATION INCENTIVES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Hawaii Carbon Smart Land Management Assistance Pilot Program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices;
- (2) Repeal the Carbon Offset Program; and
- (3) Appropriate funds for positions and administration of the Program.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Office of Planning and Sustainable Development, one member of the Hawai'i County Council, Hawai'i Farm Bureau, 350Hawaii.org, Hawai'i Alliance for Progressive Action, The Nature Conservancy - Hawai'i and Palmyra, Hawai'i Gas, Climate Protectors Hawai'i, Environmental

2022-2477 SB3325 HD1 HSCR HMSO



Caucus of the Democratic Party of Hawai'i, and three individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Department of Agriculture.

Your Committee finds that the State can reduce its contribution to climate change by increasing local food production, improving soil health, securing resilient water sources, and sequestering greenhouse gases through regenerative agriculture and forest preservation. This measure would allow small farmers, ranchers, foresters, landowners, and lessees to be compensated for engaging in practices that increase soil health, reduce carbon emissions, and promote carbon sequestration and storage, thereby contributing to state climate change mitigation efforts.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3325, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



AARON LING JOHANSON, Chair



State of Hawaii
House of Representatives
The Thirty-first Legislature

HSR 1426-22

Record of Votes of the Committee on Consumer Protection & Commerce

| Bill/Resolution No.: <i>SB 3325, SD2, HD1</i> | Committee Referral: <i>EEP, CPC, FIN</i> | Date: <i>3/21/22</i> | | |
|---|---|-------------------------|----------|----------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| CPC Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. JOHANSON, Aaron Ling (C) | ✓ | | | |
| 2. KITAGAWA, Lisa (VC) | ✓ | | | |
| 3. AQUINO, Henry J.C. | ✓ | | | |
| 4. HAR, Sharon E. | ✓ | | | |
| 5. HASHEM, Mark J. | ✓ | | | |
| 6. KONG, Sam Satoru | ✓ | | | |
| 7. MIZUNO, John M. | ✓ | | | |
| 8. MORIKAWA, Dee | ✓ | | | |
| 9. ONISHI, Richard H.K. | ✓ | | | |
| 10. TARNAS, David A. | ✓ | | | |
| 11. MATSUMOTO, Lauren | ✓ | | | |
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| TOTAL (11) | 11 | 0 | 0 | 0 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |