

Honolulu, Hawaii

FEB 15 2023

RE: S.B. No. 421

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Transportation and Culture and the Arts and Agriculture and Environment, to which was referred S.B. No. 421 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to establish procedures for the Department of Transportation to assist and enable a person to voluntarily purchase a verified carbon offset for carbon dioxide emissions resulting from the person's air travel to or from an airport in the State.

Your Committees received testimony in support of this measure from the Department of Transportation and the Hawai'i Climate Change Mitigation and Adaptation Commission. Your Committees received testimony in opposition to this measure from the Energy and Climate Action Committee of the Environmental Caucus of the Democratic Party of Hawai'i, 350Hawaii.org, and four individuals. Your Committees received comments on this measure from Climate Protectors Hawaii.

Your Committees find that climate change is the most pressing issue of the current generation. Within the transportation sector, the air transportation component faces difficult technical challenges in reducing carbon dioxide emissions associated with air travel as air travel is essential to tourism and a key driver



of the State's economy. While the Federal Aviation Administration implemented the carbon offsetting and reduction scheme for international aviation, this program does not apply to the State or continental United States. To achieve the State's clean energy goals, this measure authorizes the Department of Transportation to assist and enable individuals to purchase a verified carbon offset for carbon dioxide emissions resulting from air travel to or from the State.

Your Committees have amended this measure by clarifying that any revenue received by the State for carbon offsets shall be directed to the Department of Land and Natural Resources to be utilized for:

- (A) Tree planting; or
- (B) Other initiatives that proportionally increase carbon sequestration.

As affirmed by the records of votes of the members of your Committees on Transportation and Culture and the Arts and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 421, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 421, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Transportation
and Culture and the Arts and
Agriculture and Environment,



MIKE GABBARD, Chair

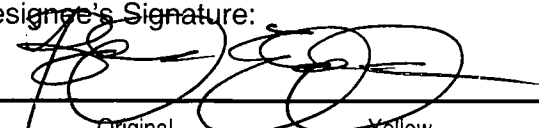


CHRIS LEE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and Culture and the Arts
TCA

Bill / Resolution No.:* SB 421	Committee Referral: TCA/AEN, WAM	Date: 2/13/23		
<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
LEE, Chris (C)	✓			
INOUYE, Lorraine R. (VC)				✓
ELEFANTE, Brandon J.C.	✓			
KEOHOKALOLE, Jarrett	✓			
AWA, Brenton			✓	
TOTAL	3	0	1	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				

*Only one measure per Record of Votes

