STAND. COM. REP. NO. <u>1469</u> Honolulu, Hawaii

, 2021

RE: S.B. No. 304 S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 304, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CARBON OFFSETS,"

begs leave to report as follows:

The purpose 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 Committee received testimony in support of this measure from the Blue Planet Foundation. Your Committee received testimony in opposition to this measure from the Climate Protectors Hawaii, 350Hawaii.org, Environmental Caucus of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Transportation and Office of Planning.

Your Committee finds that there are many contributors to climate change, of which transportation-generated greenhouse gas emissions is a significant contributor. Within the transportation sector, the air transportation component faces particularly difficult technical challenges in reducing carbon dioxide emissions associated with air travel. This measure supports the State in achieving its zero emissions clean economy target by establishing the voluntary purchase of verified carbon offsets by persons engaging in qualified air travel to or from an airport in the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2051, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 304, S.D. 2, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 304, S.D. 2, H.D. 1.

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

AARON LING JOHANSON, Chair