



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented to the
Senate Committee on Ways and Means
Thursday, February 27, 2020 at 10:35 a.m.

By

Richard Rocheleau, Director
Hawai'i Natural Energy Institute

And

Michael Bruno, PhD

Provost

University of Hawai'i at Mānoa

SB 3150 SD1 – RELATING TO TAXATION

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

The Hawai'i Natural Energy Institute (HNEI) supports the intent of this bill and provides the following comments.

SB 3150 SD1 would amend the environmental response, energy, and food security tax to address carbon emissions by establishing a carbon tax; effectively priced at \$40 per metric ton of carbon dioxide, increasing to \$80 by 2030.

HNEI notes that the amount of the tax proposed would be a significant increase over the current level, and could result in some unintended consequences and inequities.

HNEI also notes that local emissions represent only a fraction of the actual life-cycle emissions of GHG. To the extent possible, the entire life-cycle carbon impacts of the fully integrated energy system used to power our islands should be assessed, considered, and balanced to make informed decisions that impact our economy and climate.

Thank you for the opportunity to comment on SB 3150 SD1.