

STAND. COM. REP. NO.

768

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 975
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 975 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) Permanently establish the Hawaii Carbon Smart Land Management Assistance Program; and
- (2) Appropriate funds to support the program.

Your Committee received testimony in support of this measure from the Office of Planning and Sustainable Development; Hawai'i Climate Change Mitigation and Adaptation Commission; Hawai'i Forest Industry Association; 350Hawaii.org; Climate Protectors Hawai'i; Waiehu Land LLC; Mililani Agricultural Park LLC; and two individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the Hawaii Carbon Smart Land Management Assistance Pilot Program has received a high degree of engagement from local farmers, ranchers, foresters, and other stakeholders. The program has shown promise in promoting

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sustainable land management, increasing carbon sequestration, supporting regenerative agriculture, and bolstering climate resilience. This measure permanently establishes the program and provides necessary funding to ensure its continued success.

Your Committee has amended this measure by:

- (1) Prohibiting program participants from using compensation provided under the program for the purposes of carbon offsetting initiatives;
- (2) Changing the appropriation to an unspecified amount;
- (3) Changing the number of positions established to an unspecified number;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

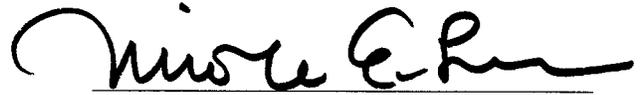
Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$2,000,000 and one full-time equivalent (1.0 FTE) permanent position.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 975, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 975, H.D. 1, and be referred to your Committee on Finance.



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Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



