

DAVID Y. IGE  
GOVERNOR OF  
HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the Senate Committees on  
WATER AND LAND  
and  
GOVERNMENT OPERATIONS**

**Tuesday, February 11, 2020  
3:30 PM  
State Capitol, Conference Room 225**

**In consideration of  
SENATE BILL 2629  
RELATING TO THE ENVIRONMENT**

Senate Bill 2629 proposes to require state agencies to participate in a carbon offset program to offset carbon emissions caused by their employees' air travel, and would require the Department of Land and Natural Resources (Department) to establish and administer a carbon offset program. **The Department supports this measure and provides the following comments.**

The State of Hawaii's commitment to uphold the Paris Climate Accord and progressive move towards carbon neutrality by 2045 requires that we actively invest in reducing our emissions and mitigate greenhouse gases (primarily carbon dioxide - CO<sub>2</sub>). Trees are the most efficient method for removing CO<sub>2</sub> from the atmosphere and investing in planting trees is one of the most effective ways to start mitigating our carbon footprint.

The Department recognizes that air travel by state employees' produces carbon dioxide and other greenhouse gas emissions that contribute to global climate effects. Reforestation projects involving planting trees can sequester substantial amounts of carbon dioxide, as well as provide a variety of ecological, cultural, recreational, educational, and economic benefits.

The Department notes that establishing and administering a carbon offset program would require additional budgetary funding as well as personnel resources. However, as the program is implemented, fees paid to the Department could be used to cover program maintenance costs and serve as a revenue stream to accelerate the number of trees planted and cared for by afforestation or reforestation projects. The Department suggests integrating these costs when contemplating the establishment of this program.

Thank you for the opportunity to comment on this measure.

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**ROBERT K. MASUDA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

DAVID Y. IGE  
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SARAH ALLEN  
ADMINISTRATOR  
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TESTIMONY  
OF  
SARAH ALLEN, ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEES  
ON  
WATER AND LAND  
AND  
GOVERNMENT OPERATIONS

February 11, 2020, 3:30PM

SB 2629  
RELATING TO THE ENVIRONMENT

Chairs Kahele and Thielen, Vice Chairs Keith-Agaran and Inouye, and members of the committees, thank you for the opportunity to submit testimony on SB 2629. The State Procurement Office (SPO) appreciates the intent of the bill and offers the following concerns and comments.

1. Comment: Section 2, Page 2, Lines 13-21, and Page 3, Lines 1-3 requires the employee's agency to pay a fee for a carbon offset undertaken by an employee of an agency in performance of the employee's official duties.

Concern: Without a statewide financial system or central automated travel system there is no efficient way to track or capture employee travel. Each agency would need to be responsible for manually tracking their employee travel and determining the offset owed. Currently, travel approval is a manual process and labor intensive. This would put an additional responsibility on agencies on an already burdensome process.

2. Comment: On page 3, Lines 7-14 the department of land and natural resources will be required to establish a procedure for determining the amount of carbon dioxide emissions in metric tons that result from air travel by a single airline passenger, based on the average fuel consumption and corresponding carbon dioxide emission per kilometer traveled for the aircraft in which the single airline passenger traveled, passenger capacity of the aircraft, and distance traveled.

Concern: Calculating emissions per passenger requires employees to keep track of the type of aircraft they traveled on, the capacity of the plane, and the distance travelled. Then there are modifications to this formula for changes in itinerary or multiple plane changes. Once again demonstrating the additional burdens placed on agency and employees.

3. Comment: Based on a recent SPO survey, there doesn't appear to be any statewide carbon offset program. There are a few universities, but those organizations have central online travel booking programs or a central travel office.

Concern: Without a central travel agency or an automated travel expense program, this imposed offset program will be an excessive burden on all state agencies and employees.

4. Comment: The University of California at Los Angeles (UCLA), one of the first universities in the country to establish a program to reduce greenhouse gas emissions (GHG), did a study in 2015, culminating in a two-year flat fee (\$9.00 for domestic round trip or \$25.00 for international flight) pilot program; 2018 to 2020. UCLA's study found that computing greenhouse gas emissions by miles traveled had slowed and sometimes stalled similar programs at other universities. The flat fee program was found to be easier to implement. Arizona State University also established a flat fee (\$10 per round trip) program in FY 2019. The University of Utah has a voluntary carbon offset program that travelers can check a box to deduct \$10.00 from their travel reimbursement.

Concern: No research or studies have been made to determine what process would be in the best interest of the state, nor any cost/benefit effect or resource drain has been considered with the logistical requirements or manually tracking all travel by state employees.

5. Comment: Based on the website, <https://www.cooleffect.org/content/travel-offset>, provided by the department of land and natural resources (DLNR), the SPO would have paid approximately \$277.00 in fees for 15 employee trips in 2019.

Concern: The carbon offset fee paid by the SPO is miniscule compared to the travel by other departments. The carbon offset amounts could be substantial over a long period and there is no sunset date in the bill. According to a paper published by Richard Kim and Benjamin Pierce, purchasing carbon offsets is a good short-term strategy for mitigating climate effects. It should not replace a more comprehensive plan to reduce carbon emissions. Employees don't have an alternative option when travelling intra-state or out-of-state for business; air travel is the ONLY means of transportation. A carbon offset would do nothing to curtail air travel. Also, SPO cautions Department Heads choosing to have contract management personnel not travel for regular site visits of the areas they are responsible for conducting government oversight. Successful contract management very rarely works from the desk of the contract administrator.

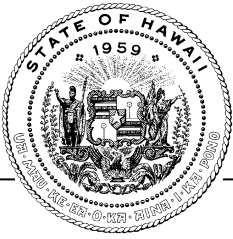
Recommendation:

The Office of the Comptroller, Enterprise Technology Services (ETS), and SPO are researching automated travel expenditure programs that would ultimately tie into the State's financial system. SPO recommends waiting until there is an automated travel expenditure program and a central travel agency when it would be easier to capture flight information.

In addition, SPO cautions making any overly-complex policy, requiring expensive contractor monitoring and additional resources. Instead, an easy flat rate to be added to all travelers, should appease those who feel this program is appropriate, and it ensures government employees are not having to collect voluminous information every time they travel. However, SPO reminds the reader of our Point 5, when considering if this 'expense' is really a disincentive to travel.

Other options: Appropriate funds to the DLNR to fund a carbon offset program or apply a one-time flat rate to each department as part of their travel budget.

Thank you.



# OFFICE OF PLANNING STATE OF HAWAII

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DAVID Y. IGE  
GOVERNOR

MARY ALICE EVANS  
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OFFICE OF PLANNING

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Statement of  
**MARY ALICE EVANS**  
Director, Office of Planning  
before the  
**SENATE COMMITTEES ON WATER AND LAND  
AND  
GOVERNMENT OPERATIONS**

**LATE**

Tuesday, February 11, 2020  
3:30 PM  
State Capitol, Conference Room 225

in consideration of  
**SB 2629**  
**RELATING TO THE ENVIRONMENT.**

Chairs Kahele and Thielen, Vice Chairs Keith-Agaran and Inouye, and Members of the Senate Committees:

The Office of Planning offers the following **comments** on SB 2629. In accordance with Act 16, Session Laws of Hawai'i 2018, the Office of Planning investigated and recently published the *Feasibility and Implications of Establishing a Carbon Offset Program for the State of Hawai'i* twenty days prior to the convening of the 2020 regular session, on December 26<sup>th</sup>, 2019. The publication was electronically provided to the Hawai'i State Legislature and the Hawai'i Climate Change Mitigation and Adaptation Commission, and physical copies of the feasibility report were provided to your respective offices. The publication may also be found at the Office of Planning's website:

[http://files.hawaii.gov/dbedt/op/sustainability/feasibility\\_and\\_implications\\_of\\_establishing\\_a\\_carbon\\_offset\\_program\\_for\\_the\\_state\\_of\\_hawaii\\_finalweb.pdf](http://files.hawaii.gov/dbedt/op/sustainability/feasibility_and_implications_of_establishing_a_carbon_offset_program_for_the_state_of_hawaii_finalweb.pdf).

The Office of Planning similarly hosted a Carbon Offset Symposium on April 10<sup>th</sup>, 2019 at the Hawai'i State Capitol. For those interested in learning about the complexity of the carbon market, and the criteria associated with carbon offsetting and generating carbon offset credits; the PowerPoints presentations and video of the Carbon Offset Symposium are available on the Office of Planning's website at: <http://planning.hawaii.gov/sustainability/carbon-offset-program/carbon-offset-symposium/>

The Office of Planning notes that sections 7.2 (pages 49-51) and 7.4 (pages 52-53) of the feasibility report describe the requirements of developing a potential carbon offset program for the State of Hawai'i. The Office of Planning notes that a Carbon Offset Program Administrator is not necessary to derive revenue from the offset market. Offset programs are intentionally

separate from the offset market financial transactions. Instead, a Carbon Offset Program Administrator would serve as a credible offset certification body, this is separate from carbon offset project development.

For the purposes of SB 2629, the Office of Planning recommends the replacement of the word “offset” to “removal”<sup>1</sup> or “sequestration.”<sup>2</sup> This is because the use of the word “offset” in terms of the carbon market, is often used to identify a very specific mechanism, to reference a credit to mitigate 1 metric ton of carbon dioxide (CO<sub>2</sub>) equivalent. Carbon offset credits are monetarily tradeable and must be evaluated and certified by an offset standard, which provides an established set of rules and criteria to ensure that the “offset” meet stringent requirements to ensure transparency and credibility within the carbon market.

The Office of Planning recommends that the program name mentioned in SB 2629 be amended to a “carbon removal” or a “carbon sequestration program,” to not confuse the intent of this program with the carbon market’s definition of carbon offsetting and the role of carbon offset credits.

The Office of Planning recommends that a flat-fee be assessed to: 1. inter-island travel, 2. continental travel, and 3. international travel, to match the carbon dioxide (CO<sub>2</sub>) equivalent of the greenhouse gases emitted and the length of the employees’ air travel. A similar model to this concept is the San Francisco Carbon Fund, primarily funded through local legislation calling for 13% of the costs of San Francisco municipal employees’ air travel for city business to be invested in local projects that mitigate and sequester travel-related greenhouse gas emissions.

The Office of Planning appreciates the opportunity to provide comments on SB 2629.

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<sup>1</sup> The International Organization of Standards (ISO 14064-3:2019) defines “greenhouse gas removal (GHG removal)” as: the withdrawal of a greenhouse gas from the atmosphere by greenhouse gas sinks.

<sup>2</sup> The International Organization of Standards (ISO 27919-1:2018) references to “sequestration” as an alternative use to the term “storage,” since “sequestration” is more generic and can also refer to the biological processes (absorption of carbon by living organisms).

**SB-2629**

Submitted on: 2/9/2020 6:54:34 PM

Testimony for WTL on 2/11/2020 3:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ted Bohlen	Testifying for Climate Protectors Coalition	Support	No

Comments:

Hearing 2/11 at 3:30 pm

Aloha Chair Kahele, Vice Chair Keith-Agaran, and members of the Committee on Water and Land, and Chair Thielen, Vice Chair Inouye, and members of the Committee on Government Operations:

The Climate Protectors Coalition **strongly supports SB2629!**

The Climate Protectors Coalition is a new group inspired by the Mauna Kea Protectors but focused on reversing the climate crisis. As a tropical island State, Hawaii will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, and rising sea levels.

We must do all we can to reduce our carbon footprint and become at least carbon neutral as soon as possible. This bill provides one way to achieve this--by requiring agencies to participate in a carbon offset program administered by DLNR to offset carbon emissions caused by work air travel by State employees. This is one way for the State to lead on reducing carbon emissions. Please pass this bill. Mahalo!



183 Pinana St., Kailua, HI 96734 • 808-262-1285 • [info@350Hawaii.org](mailto:info@350Hawaii.org)

To: The Senate Committees on Water and Land; and Government Operations  
From: Brodie Lockard, Founder, 350Hawaii.org  
Date: Tuesday, February 11, 2020, 3:30 pm

**In strong support of SB 2629**

Dear Chairs Kahele & Thielen, and members:

350Hawaii.org strongly supports SB 2629. Carbon offsets for government flights would help decrease Hawaii's carbon footprint and set an excellent example for others.

Global air travel into and out of Hawaii in 2017 produced as much CO<sub>2</sub> as generating electricity for almost 1.1 million homes for a year [1].

Transportation has become the largest portion (29%) of total U.S. greenhouse gas emissions [2], and airplane flights are drawing increasing attention as a considerable contributor.

Until zero-emission airplanes are a reality, planting native trees is an effective way to compensate for the significant CO<sub>2</sub> that our 102,465 flights emit every day around the globe [3]. Because plane emissions involve other states and countries, they can't be easily regulated. But a carbon offset requirement would at least counteract the emissions from our State's government airplane travel.

Carbon offsetting should bring Hawaii officials' attention to whether any given plane trip is really necessary. It will encourage cleaner alternatives like conference calls and videoconferencing. Flights for neighbor island legislators must be considered carefully.

As the most remote islands in the world, Hawaii can and should set an example for other governments, companies, NGOs, foundations, and all manner of groups.

Please pass this bill and help to reduce Hawaii's total GHG emissions.

Brodie Lockard  
Founder, 350Hawaii.org

[1] <https://www.civilbeat.org/2019/08/air-travels-carbon-footprint-takes-a-big-environmental-toll-in-hawaii/>

[2] <https://www.epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions>

[3] <https://garfors.com/100000-flights-day-html/>



**SB-2629**

Submitted on: 2/10/2020 2:18:10 PM

Testimony for WTL on 2/11/2020 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Justin Salisbury	Individual	Support	No

Comments:

**SB-2629**

Submitted on: 2/10/2020 8:19:29 AM

Testimony for WTL on 2/11/2020 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nanea Lo	Individual	Support	No

Comments:

Hello,

My name is Nanea Lo. I am a lifelong resident of Hawai'i on O'ahu. I am writing in to say I support this bill.

me ke aloha 'Ä• ina,

Nanea Lo

**SB-2629**

Submitted on: 2/10/2020 4:55:54 AM

Testimony for WTL on 2/11/2020 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Kahele, Chair Thielen and Members of the Joint Committee on Water and Land and Committee on Government Operations,

I am writing in support of SB2629, which would require state agencies to participate in a carbon offset program to offset carbon emissions caused by their employees' air travel. Requires DLNR to establish and administer a carbon offset program.

I think that this is an interesting idea to promote the idea of a carbon offset program. By calculating the carbon foot print caused by the air travel, the department then could fund monies to a project designed to reduce greenhouse gasses.

United Airlines already has a Carbon Choice carbon offset program offered to green minded travellers. Here's the website:  
<https://www.united.com/ual/en/us/fly/company/global-citizenship/environment/carbon-offset-program.html>

Our state government can make an environmental statement by instituting a carbon offset program for state employee air travel. Please pass this bill.

Mahalo,

Caroline Kunitake

**SB-2629**

Submitted on: 2/9/2020 10:46:30 PM

Testimony for WTL on 2/11/2020 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Victoria Anderson	Individual	Support	No

Comments:

Please pass this important bill!

**LATE**

**SB-2629**

Submitted on: 2/11/2020 12:04:14 AM  
Testimony for WTL on 2/11/2020 3:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Gerard Silva	Individual	Oppose	No

Comments:

**SB-2629**

Submitted on: 2/11/2020 8:14:34 AM

Testimony for WTL on 2/11/2020 3:30:00 PM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Peg Sullivan-Miller	Individual	Support	No

Comments:

I am very supportive of this bill. We need a carbon offset program for all State agencies.