



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS
Director, Office of Planning and Sustainable Development
before the
HOUSE COMMITTEE FINANCE
Tuesday, April 5, 2022
2:30 PM
State Capitol, Conference Room 308
on
SB 3325, SD2, HD 1
RELATING TO CARBON SEQUESTRATION INCENTIVES.

Chair Luke, Vice Chair Yamashita, and Members of the House Committee on Finance:

The Office of Planning and Sustainable Development (OPSD) **supports the intent** of SB 3325, HD1, which establishes the Hawai'i carbon smart land management assistance pilot program to incentivize carbon sequestration activities through incentive contracts that provide for compensation for eligible practices by program participants and appropriates funds for positions and for administering the program.

For the past five years, OPSD has been researching, publishing materials, and working on carbon sequestration issues through the Carbon Farming Task Force (established 2017), now expanded to the permanent Greenhouse Gas Sequestration Task Force (GHGSTF) (established in 2018). OPSD is pleased to note that SB 3325, HD1, implements the work of the Task Force.

The HD1 creates a carbon smart land management assistance pilot program modeled after a demonstration project created by the Greenhouse Gas Sequestration Task Force and implemented by the Hawaii Agricultural Research Center (better known as HARC). The proposed pilot program builds on the GHGSTF's findings and is a logical next step in incentivizing carbon sequestration practices in farming, ranching and forestry.

The HD1 also implements the recommendation of OPSD's report, "Feasibility and Implications of Establishing a Carbon Offset Program for the State of Hawaii" (December 2019). This report was conducted by OPSD as directed by Act 16 (2018). The feasibility study found that, "It is unlikely that the State of Hawaii would generate significant revenue through the production of offsets, and any trading of offset credits produced within Hawaii would be limited by the State's laudable Zero Emissions Clean Economy target." Thus, the proposed repeal of Chapter 225P-6 Carbon Offset Program carries out our recommendation to explore alternative mechanisms to address climate change.

As one of the State's two climate-related boards and commissions, the State's Greenhouse Gas Sequestration Task Force is a 19-member permanent task force with many

HOUSE COMMITTEE ON FINANCE

Tuesday, April 5, 2022

Page 2

experts from the forestry, agricultural, land use, environmental, academic, and soil science communities committed to the task force's mission set by Hawai'i Revised Statutes (HRS) §225P-4. The Greenhouse Gas Sequestration Task Force has produced the following results:

1. The creation of a [“Healthy Soils Hawai'i” Pilot Project with the Hawaii Agricultural Research Center and the Natural Resources Conservation Service](#) (the original pilot program that the proposed program in SB 3325, HD1, is modeled after)
2. [The Desktop Analysis to Compare Pathways of Carbon Storage](#) (April 2020)
3. [Hawai'i Natural and Working Lands Baseline and Benchmarks](#) (Aug 2021)

Given the intense land use planning and land management as described in SB 3325 and the Office of Planning and Sustainable Development's strong relationships with the Department of Land and Natural Resources, the Department of Agriculture, Hawai'i's four counties, and landowners across the state; the Office of Planning and Sustainable Development strongly **recommends** that the Legislature consider the Office of Planning and Sustainable Development as the centralized, coordinating agency of the proposed “Hawai'i farmland and forest soil health carbon smart incentives program.”

Finally, the Greenhouse Gas Sequestration Task Force looks forward to continuing the program of work laid out for it by the Legislature in Chapter 225P-4. We note that the Task Force has not received funding to support this work and we would appreciate an appropriation and one position to provide support to the Task Force.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR OF
HAWAII



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

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
FINANCE

Tuesday, April 5, 2022
2:30 PM

State Capitol, Conference Room 308, Via Videoconference

In consideration of
SENATE BILL 3325, SENATE DRAFT 2, HOUSE DRAFT 1
RELATING TO CARBON SEQUESTRATION INCENTIVES

Senate Bill 3325, Senate Draft 2, House Draft 1 proposes to establish the Hawaii Farmland and Forest Soil Health Carbon Smart Incentive Program (Program) to incentivize carbon sequestration activities through compensation for eligible practices and appropriate funds for positions and for administering the Program. The bill also proposes to require the Department of Land and Natural Resources (Department) to 1) identify and prioritize selected soil health and carbon positive activities; 2) recommend compensation rates and contract terms for eligible phase I activities; 3) assist in estimating sequestration rates for carbon positive practices; 4) serve on the reviewing committee for project applications and reports; 5) research and develop the technical underpinning of compensation rates for phase II eligible practices; and 6) conduct community and landowner outreach activities. **The Department supports this bill and offers comments and suggested amendments.**

The State of Hawaii's commitment to uphold the Paris Climate Accord and progressive move towards zero emissions clean economy by 2045 requires that we actively invest in reducing our emissions and mitigate greenhouse gases (primarily carbon dioxide - CO₂). Agriculture, Forests and other Land Uses (AFLOU) are currently the State's only carbon sink. Investing in carbon positive actions such as afforestation, reforestation, soil carbon sequestration, or local organic plant food production is one of the most effective ways to start mitigating our carbon footprint.

The Department recognizes that small land managers play a significant role in managing natural and working lands but often operate on small profit margins. Providing assistance to land managers will allow them to make changes on their lands to increase carbon sequestration and improve healthy soils to help the state meet food security and carbon emission goals. Additional

funding for the State’s watershed partnership program that provides landscape-level, cross-boundary forest protection and restoration is also essential to significantly accelerate carbon sequestration rates.

The Department proposes the measure be clarified to include funds to support carbon smart land management actions. The Department proposes the following changes be made to section 5 as follows:

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ _____ or so much thereof as may be necessary for fiscal year 2022-2023 for:

- (1) One full-time equivalent (1.0 FTE) permanent position to support soil health and carbon sequestration actions on state lands and provide technical and research assistance to the Hawaii carbon smart land management assistance pilot program established by this Act;~~and~~
- (2) Other technical assistance;~~;~~
- (3) Administration of the carbon smart land management assistance pilot program; and
- (4) Program funding for contracts to incentivize carbon sequestration activities that provide compensation for eligible practices by program participants.

Thank you for the opportunity to comment on this measure.

SB-3325-HD-1

Submitted on: 4/4/2022 9:51:18 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Leah Laramée	DLNR	Support	Remotely Via Zoom

Comments:

I am available for questions to DLNR. Please allow me Zoom access.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 3325, S.D. 2, H.D. 1

April 5, 2022
2:30 p.m.
Room 308 and Videoconference

RELATING TO CARBON SEQUESTRATION INCENTIVES

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 3325, S.D. 2, H.D. 1, establishes the Hawai'i Carbon Smart Land Management Assistance Pilot Program (program) within the Department of Land and Natural Resources (DLNR) to promote carbon sequestration activities through incentives contracts that provide for compensation eligible practices by program participants; repeals the carbon offset program; appropriates an unspecified amount of general funds in FY 23 to the Department of Agriculture to establish 1.00 position to provide support for the program; and appropriates an unspecified amount of general funds in FY 23 to the DLNR to establish 1.00 position to provide support for the program.

B&F notes that, with respect to the general fund appropriations in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON FINANCE

**TUESDAY, APRIL 5, 2022
2:30 P.M.
VIA VIDEOCONFERENCE**

**SENATE BILL NO. 3325, SD2, HD1
RELATING TO CARBON SEQUESTRATION INCENTIVES**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 3325, SD2, HD1 that establishes within the Department of Land and Natural Resources, the Hawaii Carbon Smart Land Management Assistance three-year pilot program to incentivize carbon sequestration activities through incentives contracts that provide for compensation for eligible practices by program participants. The Department of Agriculture (“Department”) offers comments and a recommendation.

The Department of Agriculture acknowledges that agricultural lands and agricultural operations may have a role in sequestering carbon. The pilot program outlined in this measure is meant to achieve additional sequestration by what appears to be voluntary participation of landowners and lessees of agricultural land to undertake certain practices in exchange for compensation that is based on the amount of carbon sequestered. Participation by landowners, lessees, and particularly agricultural operators will require unambiguous evidence that such participation makes economic sense.



The bill also appropriates funds to the Department for one permanent position that is dedicated to supporting program actions on eligible lands and provide technical and research assistance to the pilot program.

The administrative authority to carry out this program went from the Hawaii Green Infrastructure Authority to the Office of Planning and Sustainable Development and now the Department of Land and Natural Resources. The Department of Agriculture strongly recommends that OP/SD be assigned the responsibility to administer the proposed Hawaii Carbon Smart Land Management Assistance three-year pilot program and be allowed additional personnel resources. The Department believes the OP/SD has the greenhouse gas sequestration experience and statewide perspective to establish and administer an effective, science-based, comprehensive, fair, and equitable carbon sequestration incentives pilot program on State and private agricultural lands.

Thank you for the opportunity to provide our testimony on this measure.



Hawaii Cattlemen's Council, Inc.
COMMITTEE ON FINANCE
Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair

SB3325 SD2 HD1
Relating to CARBON SEQUESTRATION INCENTIVES

Tuesday, April 5, 2022, 2:30 PM
VIA VIDEOCONFERENCE

Chair Luke, Vice Chair Yamashita, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **supports SB3325 SD2 HD1 with comments** to establish the Hawaii farmland and forest soil health carbon smart incentive program (program) to incentivize carbon sequestration activities. We support the changes made in SD1 for the Office of Planning and Sustainable Development to coordinate the program, with the Greenhouse Gas Sequestration Task Force, which is tasked with the mission set by HRS §225P-4.

We appreciate the legislature's acknowledgement that both forestry and regenerative agriculture can contribute to carbon sequestration and be a solution to curbing the detrimental impacts of climate change. These impacts, such as extreme weather, drought, sea level rise, are already affecting the state, and a focus on increasing local food security is necessary. We are learning more about the positive outcomes that well-managed rangelands can provide, including carbon sequestration and increased soil health, among others. Ranchers have the capacity, knowledge, and proven track record to maintain large land areas, thereby managing the rangelands and deriving ecosystem benefits. There are still gaps in quantifying the different benefits, and this bill will help progress to quantify those benefits while also incentivizing ranchers to either continue climate smart practices, or start new practices that increase soil health and reduce carbon emissions or sequester carbon.

We do comment that these incentives would apply to both private land owners as well as those who lease on state lands, and in order to apply these practices, long term leases are necessary. The investment in the practices and monitoring or results do not happen over a short time period, but instead are realized over the years. This is one of the key reasons the Hawaii Cattlemen's Council advocates for agricultural leases to be transferred from the Department of Land and Natural Resources (where leases are often on revocable permits) to the Department of Agriculture where appropriate lease



are given for long-term planning of agricultural operations, and aid in encouraging investment into other climate smart practices.

We appreciate the opportunity to testify on this measure.

Nicole Galase
Hawaii Cattlemen's Council
Managing Director

SB-3325-HD-1

Submitted on: 4/3/2022 6:32:09 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Kauai women's caucus	Support	Written Testimony Only

Comments:

Let's incentivize and reward our farmers and ranchers and land owners for doing the right thing and helping us lower our GHG with good land practices that can serve as a model for others.

SB-3325-HD-1

Submitted on: 4/3/2022 9:04:22 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Climate Protectors Hawai'i	Support	Written Testimony Only

Comments:

To: The Honorable Sylvia Luke, Chair, The Honorable Kyle Yamashita, Vice Chair, and Members of the House Committee on Finance

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing **SB3325 SD2 HD1 RELATING TO CARBON SEQUESTRATION INCENTIVES.**

Hearing: Tuesday, April 5, 2022, 2:30 p.m., CR 308 and by videoconference

Aloha Chair Luke, Vice Chair Yamashita, and Members of the House Committee on Finance:

The Climate Protectors Hawai'i is a group focused on reversing the climate crisis and encouraging Hawai'i to lead the world towards a safe and sustainable climate and future. The Climate Protectors Hawai'i **SUPPORTS SB3325 SD2 HD1** because it would help Hawai'i lead in mitigating the climate emergency.

As a tropical island State, Hawai'i will be among the first places harmed by the global climate crisis, with more intense storms, loss of protective coral reefs, food insecurity, and rising sea levels destroying our shorelines. We must do all we can to reduce our carbon footprint and become carbon negative as soon as possible. **The latest science, including frightening feedback loop data, indicates that 2045 will be too late. Hawai'i must decarbonize in this decade in order to lead and help mitigate the climate emergency!**

In striving to become carbon negative, it will not be enough to limit greenhouse gas emissions; we must also draw carbon down from the atmosphere. **Substantial sequestration of carbon is needed as well as major greenhouse gas emission controls.**

The purpose of this Act is to establish a Hawai'i Carbon Smart Land Management Assistance Pilot Program for three years under DLNR **to promote keeping forests and farmlands intact and sequester additional carbon on those lands.** While the Climate Protectors Hawai'i note that the SD2 would establish a permanent program and had other positive features, we **support this HD1 bill because it could still lead to significant reductions in atmospheric carbon that is the major cause of the climate crisis.**

Please pass this important bill!

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)



Environmental Caucus of The Democratic Party of Hawai'i

To: The Honorable Sylvia Luke, Chair
The Honorable Kyle T. Yamashita, Vice Chair
Committee on Finance

Re: **SB 3325 SD 2 HD 1– RELATING TO CARBON SEQUESTRATION INCENTIVES**

Hearing: Tuesday, April 5, 2022, 2:30 p.m., Conference Room 308 and
Via Videoconference

Position: **Strong support**

Aloha, Chair Luke, Vice Chair Yamashita, and Members of the Committee on Finance:

The Environmental Caucus of the Democratic Party of Hawai'i stands in strong support of SB 3325 SD2 HD1. This measure would establish the Hawaii carbon sequestration activities pilot program (Program) to incentivize carbon sequestration activities through incentives contracts that provide for compensation for eligible practices by program participants. This measure would also repeal the carbon offset program. This measure would appropriate funds for positions and assistance.

This Program would incentivize practices that increase soil health and reduce carbon emissions through carbon sequestration and storage over a designated period on eligible land. Such practices include reforestation, building windbreaks, conservation tillage and reduced field pass intensity, improved forages, controlling invasive species, efficient nutrient management, crop diversity through rotations and cover crops, manure management, rotational grazing and improved forages, waste-stream derived amendment application, improved cropping and organic systems, and feed management.

For these reasons, the Environmental Caucus of the Democratic Party of Hawai'i supports SB 3325 SD2 HD1 as it will incentivize programs that will assist in combating the climate crisis through soil health and carbon sequestration activities.

Mahalo for the opportunity to testify,

Melodie Aauja

Alan Burdick

Co-Chairs, Environmental Caucus of the
Democratic Party of Hawai'i

**Testimony of The Nature Conservancy
Supporting SB 3325 SD2 HD1, RELATING TO CARBON SEQUESTRATION INCENTIVES.**

**Committee on Finance
April 5, 2022, 2:30 pm
Conference Room 308 and via Videoconference**

Aloha Chair Luke, Vice Chair Yamashita, and Members of the Committee:

The Nature Conservancy (TNC) supports SB 3325 SD 2 HD1, Relating to Carbon Sequestration Incentives, which would establish the Hawai'i carbon smart land management assistance pilot program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices by program participants.

As a member of the US Climate Alliance Natural and Working Lands Hawai'i Research Team (Team), TNC appreciates the opportunity to testify on this bill. As you may know the Team worked closely with the US Climate Alliance and American Forests to design this program to address the needs of our natural and working land managers.

A Hawai'i carbon smart incentive program is vital to support our local producers and reach a carbon neutral clean economy by 2045. Agriculture, forests, and other land uses (AFOLU) are currently the State's only carbon sink. Actively investing in carbon positive actions such as restoring forests through tree planting, forest protection, and improved management, soil carbon sequestration, improved pasture management, and local organic plant food production are the most effective and efficient ways to mitigate our carbon footprint. Establishing this program will help small land managers employ healthy soil and carbon smart practices to sequester additional carbon on natural and working lands.

TNC also supports ensuring that the Department of Land and Natural Resources has funding and personnel to support the successful establishment of the carbon smart land management assistance pilot program.

Carbon smart practices will not only sequester carbon but improve soil health, protecting agriculture into the future; increase the amount of water that filters into our aquifers; reduce erosion, protecting our reefs from sedimentation and stress; and support our local producers and growers.

Mahalo for the opportunity to provide testimony supporting SB 3325 SD2 HD1.

The Nature Conservancy of Hawai'i and Palmyra is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 40,000 acres in 13 nature preserves and work in over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands. We forge partnerships with government, private parties, and communities to protect forests and coral reefs for their ecological values and for the many benefits they provide to people.

BOARD OF TRUSTEES

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April 5, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON SB 3325, SD2, HD1
RELATING TO CARBON SEQUESTRATION INCENTIVES

Room 308 & Videoconference
2:30 PM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports with comments SB 3325, SD2, HD1, which establishes the Hawaii carbon smart land management assistance pilot program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices by program participants.

- Agricultural lands and operations already have a significant role in sequestering carbon. The proposed program hopes to promote additional sequestration through voluntary participation of landowners/lessees of agricultural land who would be compensated to undertake certain stipulated practices. It will be particularly important that these practices are science and evidence-based and that participation in the program makes agronomic and economic sense.
- The proposed program highlights the need for State agricultural leases to be transferred from the DLNR (where they are relatively short-term, and otherwise less supportive leases or revocable permits) to the DOA where appropriate lease terms allow long-term planning, investments, and participation in forward-thinking beneficial programs such as this one.

Thank you for the opportunity to provide our comments and thank you for your continued support of Hawai'i's agricultural community.



**Testimony to
The Committee on Finance**

Tuesday, April 5, 2022

2:30 PM

Conference Room 308 & VIA Video Conference, Hawaii State Capitol

SB 3325 SD2, HD1

Chair Luke, Vice Chair Yamashita, and members of the committee,

Hawaii Gas **supports the intent of SB 3325 SD2 HD1**, which establishes the Hawaii farmland and forest soil health carbon smart incentive program to incentivize carbon sequestration activities through incentives contracts that provide for compensation for eligible practices by program participants and appropriates funds for positions and for administering the program.

Hawaii Gas is a national leader in the production and distribution of renewable gas in a gas utility system and has committed to support the state's march towards carbon neutrality by 2045. Despite representing less than 1% of the greenhouse gases emitted into Hawaii's atmosphere, we agree that it's everyone's responsibility to do everything we can to make sure Hawaii meets that milestone.

Carbon sequestration programs have shown great promise in other states around the country, and Hawaii offers a unique environment and unique species that make the state compatible with such programs. As we move towards 2045, it's important that Hawaii look to multiple avenues, fuel sources, and other opportunities to meet that goal, including incentivizing farmers. We support creating Phase I and Phase 2 activities as potential carbon sequestration opportunities.

Thank you for the opportunity to testify.



House Committee on Finance

Tuesday, April 5th, 2022, 2:30p.m. Conference Room 308

Hawai'i Alliance for Progressive Action Supports: SB3325 SD2 HD1

Aloha Chair Luke, Vice Chair Yamashita and Members of the Committee,

On behalf of the Hawai'i Alliance for Progressive Action (HAPA) I am submitting testimony in support of SB3325 SD2 HD1.

SB3325 SD2 HD1 establishes the Hawai'i farmland and forest soil health carbon smart incentive program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices by program participants.

HAPA supports SB3325 SD2 HD1 because we believe that it will help promote keeping forests and farmlands intact and support ways that land management can help with encouraging the sequestering of carbon.

This program will incentivize those actions that help to improve soil quality and those that help to sequester carbon and allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Hawai'i needs to reduce its contribution to climate change, increase local food production, improve soil health, and secure resilient water sources through watershed protection. Programs such as the Hawai'i farmland and forest soil health carbon smart incentive program are a part of the solution to making this happen.

Please pass SB3325 SD2 HD1.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Anne Frederick', is written in a cursive style.

Anne Frederick
Executive Director



To: The House Committee on Finance
From: Sherry Pollack, Co-Founder, 350Hawaii.org
Date: Tuesday, April 5, 2022, 2:30pm

In support of SB3325 SD2 HD1

Aloha Chair Luke, Vice Chair Yamashita, and members of the Finance committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports SB3325 SD2 HD1** that would establish the Hawaii carbon smart land management assistance pilot program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices by program participants, in addition to repealing the carbon offset program.

Establishing a carbon smart land management assistance pilot program will promote keeping forests and farmlands intact and sequester additional carbon on those lands. This program will incentivize actions that will improve soil health and sequester carbon. This would allow small farmers, ranchers, foresters, and landowners to be compensated for taking measures to help Hawaii reach its climate readiness goals.

Climate change has led to an increase in the frequency of extreme weather events which increases the risks to our already vulnerable food supply chain. Hawaii needs to reduce its contribution to climate change, increase local food production, improve soil health, and secure resilient water sources through watershed protection. Programs such as the Hawaii carbon smart land management assistance pilot program are an effective means to do that.

Mahalo for the opportunity to testify in **support** of this important legislation.

Sherry Pollack
Co-Founder, 350Hawaii.org

SB-3325-HD-1

Submitted on: 4/1/2022 2:06:42 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
L Basha	Individual	Support	Written Testimony Only

Comments:

Developing carbon capture technology is progress.

SB-3325-HD-1

Submitted on: 4/1/2022 4:48:15 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Oppose	Written Testimony Only

Comments:

This bill provides no rationale for repealing the carbon offset program, yet does just that. Carbon offsets are an important conservation tool, and one that could generate significant income for the state of Hawaii, as well as incentivizing reforestation and other conservation measures. I support carbon offsets, and oppose this bill.

SB-3325-HD-1

Submitted on: 4/2/2022 12:04:42 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support this bill.

Mahalo

SB-3325-HD-1

Submitted on: 4/2/2022 1:08:59 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
mary drayer	Individual	Support	Written Testimony Only

Comments:

i support all efforts to mālama our environment ..

SB-3325-HD-1

Submitted on: 4/2/2022 1:48:18 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
denise woods	Individual	Oppose	Written Testimony Only

Comments:

I think there are more important things to focus on, we don't even know how much carbon emissions affect climate change.

SB-3325-HD-1

Submitted on: 4/2/2022 2:32:47 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Seikai Darcy	Individual	Support	Written Testimony Only

Comments:

Mahalo for supporting SB3325 SD2 HD1!

The `āina is so excited for this to be realized!

In partnership,

Lisa Darcy

Maui County breathing resident

SB-3325-HD-1

Submitted on: 4/2/2022 3:07:49 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Christy MacPherson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Luke, Vice Chair Yamashita and members of the House Committee on Finance,

I support SB3325 SD2 HD1.

Mahalo for your consideration.

SB-3325-HD-1

Submitted on: 4/2/2022 4:33:29 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Theresa M Thompson	Individual	Support	Written Testimony Only

Comments:

I support this Bill.

Theresa Thompson

SB-3325-HD-1

Submitted on: 4/2/2022 5:37:07 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill.

Carbon Sequestration reduces the amount of carbon dioxide in the atmosphere and captures carbon in the soil — ultimately reducing global climate change. In addition to mitigating climate change, capturing carbon in the soil improves the health and productivity of the soil.

This program in particular will allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Thank you for your consideration.

SB-3325-HD-1

Submitted on: 4/2/2022 5:39:57 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
cindy freitas	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Cindy Freitas and I'm a Native Hawaiian descended of the native inhabitants of Hawai'i prior to 1778 and born and raised in Hawai'i.

I am also a practitioner who still practice the cultural traditional customary practices that was instill in me by my grandparents at a young age from mauka (MOUNTAIN TO SEA) to makai in many areas.

I'm in support of SB3325...Mahalo

SB-3325-HD-1

Submitted on: 4/2/2022 7:54:01 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Celle Galarza	Individual	Support	Written Testimony Only

Comments:

I support this bill as it establishes the Hawai'i Carbon Smart Land Management Assistance Pilot Program to incentivize carbon sequestration activities. I feel this program is of great importance.

Mahalo, Celle Galarza

SB-3325-HD-1

Submitted on: 4/2/2022 8:31:56 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Micha'el Leventhal	Individual	Support	Written Testimony Only

Comments:

Aloha, I'm writing in support of the proposed Hawaii Carbon Smart Land Management Assistance Pilot Program, which aims to incentivize those actions that help to improve soil quality; sequester carbon; and allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Hawai'i needs to reduce its contribution to climate change, increase local food production, improve soil health, and secure resilient water sources through watershed protection. Climate change has led to an increase in the frequency of extreme weather events, which increases the risks to our already vulnerable food supply chain. Programs such as this that increase local food production are an effective means to promote greater food security.

Mahalo nui for your time and support of this and other equally forward-thinking initiatives!

SB-3325-HD-1

Submitted on: 4/2/2022 10:50:35 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Kunitake	Individual	Support	Written Testimony Only

Comments:

Dear Chair Luke, Vice Chair Yamashita, and Committee on Finance,

I strongly support SB3325 SD2 HD1. Please support this bill.

Hawaii needs to reduce its contribution to climate change, increase local food production, improve soil health, and secure resilient water sources through watershed protection. This program would be an effective way to do that.

-In addition to cutting emissions from burning carbon, Hawaii needs to mitigate climate change by sequestering greenhouse gases through regenerative agriculture and forest preservation. This program would incentivize these efforts and thereby help Hawaii reach its climate readiness goals.

Climate change has led to an increase in the frequency of extreme weather events which increases the risks to our already vulnerable food supply chain. Programs such as this that increase local food production are an effective means to promote greater food security.

I appreciate the opportunity to provide testimony in support of SB3325 SD2 HD1. Thank you for taking the time to review this issue.

Sincerely,

Caroline Kunitake

SB-3325-HD-1

Submitted on: 4/3/2022 8:53:10 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Stayton	Individual	Support	Written Testimony Only

Comments:

I am writing to you as a Kauai family farmer. As good stewards of our aina and responsible citizens of our planet, it is important that we do everything we can to reduce our carbon emissions. With this program, we will be encouraged to sequester carbon to reduce carbon emissions and improve the soil quality. Big wins for the state and our farmers.

Thanks for your consideration,

Susan

SB-3325-HD-1

Submitted on: 4/3/2022 6:54:46 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Lindsey A Drayer	Individual	Support	Written Testimony Only

Comments:

I support this. Thank you, Lindsey Drayer

SB-3325-HD-1

Submitted on: 4/3/2022 7:38:40 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Hansen	Individual	Support	Written Testimony Only

Comments:

Aloha - Please pass this bill.

This program will incentivize those actions that help to improve soil quality and those that help to sequester carbon and allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Mahalo,
Elizabeth Hansen
Hakalau HI 96710

SB-3325-HD-1

Submitted on: 4/3/2022 8:01:03 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Rodger Hansen	Individual	Support	Written Testimony Only

Comments:

Aloha - Please pass this bill.

This program will incentivize those actions that help to improve soil quality and those that help to sequester carbon and allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Mahalo,
Rodger Hansen
Hakalau HI 96710

SB-3325-HD-1

Submitted on: 4/3/2022 8:02:03 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I come from Papakōlea, O‘ahu. I'm a Kanaka Maoli born and raised in the Hawaiian Kingdom. I'm writing in full support of SB3325 SD2 HD1.

This bill establishes the Hawai‘i Carbon Smart Land Management Assistance Pilot Program to incentivize carbon sequestration activities.

Support SB3325 SD2 HD1.

me ke aloha ‘āina,

Nanea Lo

SB 3325 SD 2 HD 1 TESTIMONY

To: House Committee on Finance
Hearing on April 5, 2022 at 2:30 p.m.

From: John Kawamoto

Position: Support

Carbon sequestration complements efforts to reduce carbon emissions to mitigate climate change. We need to do both -- sequester carbon and reduce carbon emissions -- if we are to avoid a global climate catastrophe.

Among other things, this bill incentivizes the planting of new forests to sequester carbon. Meanwhile, other bills are being considered by the Legislature that would cut down forests to generate electricity. Those bills should be avoided.

This bill mitigates climate change, and it will have beneficial impacts for generations to come.

SB-3325-HD-1

Submitted on: 4/3/2022 11:48:55 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

Strong support!

SB-3325-HD-1

Submitted on: 4/4/2022 7:22:40 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Maki Morinoue	Individual	Support	Written Testimony Only

Comments:

Aloha

I support SB3325 SD2 HD1 that initiates Carbon Sequestration Incentives.

It is extremely apparent after COVID19 shut down, that we are at over capacity and over tourism on every island. We need to start to move towards a revitalizing manner TODAY.

Please pass this bill for this generation and the next generation!

Mahalo

Maki Morinoue

Holualoa

96725

SB-3325-HD-1

Submitted on: 4/4/2022 10:17:19 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jesse Kealiinohomoku	Individual	Support	Written Testimony Only

Comments:

I stand in Support of the measure SB3325 which calls for: Establishes the Hawaii carbon smart land management assistance pilot program to incentivize carbon sequestration activities through incentive contracts that provide compensation for eligible practices by program participants. Repeals the carbon offset program.

Me ke aloha,

#Fixourfoodsystem

SB-3325-HD-1

Submitted on: 4/4/2022 10:59:45 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing in support of SB3325 SD2 HD1, a Carbon Sequestration Incentives bill. This bill establishes the Hawai'i Carbon Smart Land Management Assistance Pilot Program, which will incentivize carbon sequestration activities.

In this time of climate change, carbon sequestration is an essential tool in the mitigate to offset the worst effects of this looming natural disaster. Doing what we can to prevent methane, carbon dioxide, and other greenhouse gases from escaping into the atmosphere is essential, whether it is capturing gas from food waste and cattle belching, or planting cover crops that will sequester the carbon to begin with is are programs we need to proceed as soon as possible. Carbon sequestration reduces the amount of carbon dioxide in the atmosphere and captures carbon in the soil — ultimately reducing global climate change. In addition to mitigating climate change, capturing carbon in the soil improves the health and productivity of the soil.

This program in particular will allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals.

Please do what you can to pass this bill, and mahalo for your attention to this matter.

SB-3325-HD-1

Submitted on: 4/4/2022 11:35:37 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Cara Oba	Individual	Support	Written Testimony Only

Comments:

Aloha Kākou Chair Luke and Members of the House Finance Committee,

Thank you for hearing this bill. SB3325 SD2 HD1 encourages learning, progress monitoring, and incentives regarding carbon sequestration within our communities. This bill simultaneously supports the protection of our existing forests, addresses food and water security, as well as encourages new technology and regenerative agricultural methodology research and development. Removal of the carbon credits/offset program from the Hawaii Revised Statutes clarifies the focus on promoting local “use” and co-benefits that I fully support.

This bill would initiate the kind of infrastructure, evaluation methods, and engagement with communities and businesses that are necessary to organize all of us in taking meaningful and appropriate climate change action. The immediacy of action while keeping an open-ended goal is a key to success for climate adaptation — right now, we need to show progress. I support this bill.

I appreciate your consideration of my comments.

Mahalo!

SB-3325-HD-1

Submitted on: 4/4/2022 11:46:48 AM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
tlaloc tokuda	Individual	Support	Written Testimony Only

Comments:

Aloha FIN Chair, Vice Chair & Committee,

I SUPER support **SB3325 SD2 HD1** because the Hawaii Carbon Smart Land Management Assistance Pilot Program incentivizes actions that help to improve soil quality and those that help to sequester carbon and allow small farmers, ranchers, foresters, and landowners to be compensated for the valuable role they play in helping us reach our climate readiness goals. I hope that Ag extension staff have the knowledge to impart to small farmers, ranchers, foresters, and landowners the many strategies of regenerative agriculture and similar systems (please see some Ted Talks that share this knowledge below).

In 2017 Hawaii became the first state to enact a law that aligned with the Paris agreement. In 2021 Hawaii became the first state to enact a Climate Emergency Resolution. BUT where is our bold climate resolutions we need passed in 2022 to meet our lofty laws and resolutions? We need to back up these proposed laws and resolutions with bills that will move us in the right direction.

This is one bill that can go a long ways in addressing the above via carbon capture (see the list of videos below that show how its done.

Asmeret Asefaw Berhe: A climate solution that's right under our feet?
https://www.ted.com/talks/asmeret_asefaw_berhe_a_climate_change_solution_that_s_right_under_our_feet?language=en

How regenerative farming can help heal the planet and human health | Charles Massy | TEDxCanberra

<https://www.youtube.com/watch?v=Et8YKBivhaE>

Regenerative agriculture -- a solution to climate change | Ben Dobson | TEDxHudson 9min

https://www.youtube.com/watch?v=yp1i8_JFsao

Regeneration of Our Lands: A Producer's Perspective | Gabe Brown | TEDxGrandForks

<https://www.youtube.com/watch?v=OfTZ0rnowcc>

Carbon Farming: Harnessing The Power of The Soil

https://www.youtube.com/watch?v=Z91QsZAIL_w

The Years Project 5min

Also see

Jill Clapperton, Gabe Brown, Dave Brandt and Dave Johnson

Elaine Ingham ,academic and she is training her PhD students to become Regenerative farming consultants which Hawaii needs to invite.

Symphony of soil 1:44:00 a brilliant movie about living soils

<https://www.youtube.com/watch?v=tDZVKMe2FTg>

Mahalo for your consideration,

Tlaloc Tokuda

Kailua Kona HI 96740

SB-3325-HD-1

Submitted on: 4/4/2022 12:43:31 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Written Testimony Only

Comments:

Dear Chair Luke, Vice-Chair Yamashita, and members of the Finance Committee,

I support this measure. Carbon sequestration measures, particularly nature-based solutions, are needed for us to address global warming. This, of course, must run in concert with carbon reduction measures.

Thank you,

Noel Morin

SB-3325-HD-1

Submitted on: 4/4/2022 4:55:47 PM

Testimony for FIN on 4/5/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Janet L Pappas	Individual	Support	Written Testimony Only

Comments:

Dear FIN Chair and committee members,

Please support Bill SB3325 to establish carbon sequestration incentives for Hawaii forests and farmlands. Such a bill will help mitigate the effects of climate change by sequestering carbon in the ground. Hawaii needs to do its part to keep temperatures at livable levels, reduce air pollution and improve soil health. The resulting environment will benefit us all.

Carbon sequestration incentives fight climate change in a big way. This method uses farmlands and forested areas to capture carbon in trees and plants as well as in soil. Sequestered carbon is no longer harmful to the planet, the resulting soil and plants are healthier and sequestration can help secure resilient water sources. Hawaii farmers and forestry stewards will also benefit by receiving incentives for their carbon sequestering efforts. Farmers can take advantage of regenerative and organic farming techniques and increase their local food production.

Scientists tell us that all sequestering efforts need to be in place now and completed by 2030 to make a difference in the climate we end up with.

Please pass SB3325 SD2HD1 to pay for program administration and incentives paid to land caregivers. It will encourage farmers and foresters to put these healthy actions into practice now. The benefits to Hawaii's people and the planet will outweigh the program costs.

Thank you for your consideration.

Sincerely,

Jan Pappas

Aiea, Hawaii 96701