HOUSE CONCURRENT RESOLUTION

ENCOURAGING THE GOVERNOR TO WORK WITH THE LEGISLATURE TO DEVELOP A HAWAII GREEN INITIATIVE FOR FUELS TRANSITION TO COINCIDE WITH INCREASED LOCAL FOOD PRODUCTION.

WHEREAS, in 2015, Hawaii spent \$5,700,000,000 on imported oil, the equivalent of seven percent of the gross state product, and up to 70 percent of this imported oil is consumed for transportation, with jet fuel being the greatest and growing share; and

WHEREAS, displacing as little as five percent of imported oil with a proven renewable source of fuel could significantly improve Hawaii's energy security, sustainability, and economy by addressing fuel price volatility; and

WHEREAS, in 2008, the United States Department of Energy and the State of Hawaii established the Hawaii Clean Energy Initiative, which set a goal of using clean sources to supply 50 percent of the State's electricity needs and 70 percent of overall energy needs, including transportation, by 2030 and Act 97, Session Laws of Hawaii 2015, increased this renewable electricity mandate to achieve a 100 percent renewable energy economy in the State by 2045; and

WHEREAS, the Legislature has also created tax incentives, such as the biofuel production tax credit established through Act 202, Session Laws of Hawaii 2016, to support the end goal of energy security and sustainability; and

WHEREAS, the Governor has a stated goal of doubling local food production to rectify the State's current dependence on imports under which, as of 2015, 90 percent of food consumed in Hawaii is imported, including food for schools, hospitals, and prisons, which is a significant increase since statehood, when

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the percentage of imported consumed food was closer to 50 percent; and

WHEREAS, the Department of Transportation has created a Sustainable Transportation Forum, which includes a focus on renewable fuels among other priorities, and co-sponsored the Hawaii Renewable Transportation Summit in 2016 with the Hawaii State Energy Office and the University of Hawaii Applied Research Laboratory; and

WHEREAS, at the federal level, the United States Departments of Defense, Agriculture, and Energy have collaborated with each other and the commercial aviation industry to establish a domestic renewable jet fuel manufacturing capacity and have included Hawaii in this Commercial Aviation Alternative Fuel Initiative; and

WHEREAS, the federal Sustainable Alternative Jet Fuel Research and Development Strategy, published in 2016, sets out prioritized federal research and development goals and objectives to address key scientific and technical challenges that inhibit the development, production, and use of economically viable alternative jet fuels at a commercial scale; and

WHEREAS, in 2016, the Obama administration released a Mid-Century Strategy for Deep Decarbonization, which sets a goal of 80 percent de-carbonization by 2050 and calls for the creation, preparation, and implementation of a plan by 2030 to reach that goal; and

 WHEREAS, Hawaii has opted in to the updated renewable fuel standard established by the Energy Security and Independence Act of 2007, which is a standard that requires obligated parties to sell a certain amount of biofuels per year through 2022, and that has been met to date by Hawaii petroleum distributors importing biofuels; and

WHEREAS, Hawaii has a limited manufacturing sector that represents three percent of the gross state product, which is comprised of petroleum and gas refining; and

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WHEREAS, increased food production integrated with renewable fuel production will stimulate new storage, hub and depot centers, and processing plants, and the development of an integrated food and biofuel supply chain within Hawaii would create storage, pre-processing, and conversion refinery plants; and

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> WHEREAS, implementing food production concurrently with biofuel feedstock production will create economy of scale, provide additional revenue for farmers, and reduce the overall costs of local food production; and

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WHEREAS, the advancement of a vibrant bio-economy and biofuels supply chain in Hawaii, complementary with food production, could help address the loss of jobs from plantation and refinery closures and mitigate the risks of petroleum supply and price shocks, especially to Hawaii's vital tourism sector; and

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WHEREAS, each populated island in Hawaii has solid, construction, green, food, and human waste processing facilities that are at or approaching disposal capacity within the next five to thirty years and commercial enterprises in the continental United States have shown that these wastes are viable feedstock for renewable fuel production; and

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WHEREAS, initiatives, such as the Hawaii Clean Energy Initiative, have developed and created industries and jobs throughout Hawaii with the creation of friendly policy, such as new market, high technology, and renewable energy tax credits; similarly, a Hawaii Green Initiative for Fuels Transition could spur the creation of production, new market, refinery and conversion tech tax credits, carbon credits, land use subsidies and set asides, crop insurance, sustainability and conservation credits, and other mechanisms to stimulate integrated food and fuel production; now, therefore,

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BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the Senate concurring, that the Governor is encouraged to work with the Legislature to develop a Hawaii Green Initiative for Fuels Transition to coincide with increased local

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food production to encourage the significant growth, development, intensification, and expansion of agriculture through the incorporation of both dedicated food and biofuel feedstock growth to achieve the goals of food and fuel sustainability and security; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Director of Business, Economic Development, and Tourism, Chair of the Board of Agriculture, Chair of the Public Utilities Commission, Administrator of the State Energy Office, President and Chair of the Board of Regents of the University of Hawaii, Dean of the University of Hawaii College of Tropical Agriculture and Human Resources, Commander of the United States Pacific Command, Chairs of the Hawaii Energy Policy Forum, President of the Hawaii Renewable Energy Alliance, Executive Director of the Commercial Aviation Alternative Fuel Initiative, President of Hawaii Farmers Union United, and President of the Hawaii Farm Bureau.

OFFERED BY:

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