



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Finance
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by

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HB 2256 – RELATING TO THE ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX REPEAL DATE

Chair Luke, Vice Chairs Nishimoto and Johanson, and members of the committee:

My name is Richard Rocheleau, Director of the Hawai'i Natural Energy Institute at the University of Hawai'i at Mānoa. I support HB 2256, which would extend the sunset date of the environmental response, energy, and food security tax ("Barrel Tax") to 2030.

The Barrel Tax was intended to support critical investments in clean energy, local agricultural production, and environmental response to reduce the State's dependence on imported fossil fuels and food products. In enacting the barrel tax legislation, the legislature found that: "undertaking the important task of energy and food security requires a long-term commitment and the investment of substantial financial resources." The efforts needed to reduce our dependence on fossil fuels are complex. Capital investments today will dictate the shape of our energy system for decades to come. This bill, by extending the sunset date of the Barrel Tax, will help ensure the long term commitment necessary to help Hawai'i attain food and energy security and sustainability.

A sustained commitment is necessary to achieve these goals. On the energy side, HNEI is aware that projects of sufficient scope to impact fossil fuel use require time for planning, formation of partnerships, and implementation. Extension of the Barrel Tax sunset will enable aligning resource strategy and efforts with the timing of the State's clean energy goals.