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SB 1253 RELATING TO AIR POLLUTION

Senate Labor and Environment

**Public Hearing - February 18, 1999
2:30 p.m., Room 225, State Capitol**

by
**John T. Harrison, Environmental Center
James Moncur, Economics**

SB 1253 allows the department of health to set and collect fees under air pollution control authorities which may be applied to mitigation of greenhouse gas emissions through carbon-offset forestry programs.

Our statement on this measure does not constitute an institutional position of the University of Hawaii.

We concur with the intent of creating markets for trading of credits which will promote overall reductions in pollution. Similar procedures have been implemented for Prevention of Significant Deterioration (PSD) credit trading within designated airsheds.

Given the global nature of the greenhouse gas concern, trading of credits between widely separated airsheds is appropriate. We note, however, that the proposed carbon-offset credit is a relatively recent mechanism, and pending full implementation of the Kyoto accords there is some question as to whether these credits will be made retroactive. Certainly, this proposed measure does no harm, and we note with approval that the department has discretion as to when and how a fee system such as this may be implemented.