



# University of Hawaii at Manoa

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HB 1008  
RELATING TO ENVIRONMENTAL PROTECTION

House Committee on  
Energy and Environmental Protection

Public Hearing - February 3, 1993  
8:00 A.M., Room 1310 SOT

By  
John T. Harrison, Environmental Center  
James Moncur, Economics

HB 1008 would establish a tax check-off for environmental protection and conservation programs to go into the environmental response fund.

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

From an economic standpoint, the proposed measure is inconsistent with guiding principles. Economists generally do not favor earmaking taxes for specific items, since such a policy tends to reduce government flexibility. In addition, establishment of such direct funding mechanisms will relieve the legislature of its responsibility to allocate state resources equitably along lines consistent with the will of the people and the needs of the state. Instead of competing head to head with all other funding needs, directly supported elements enjoy a measure of autonomy from the political process.

It is also unclear that the environmental response revolving fund is the appropriate vehicle for a generalized program to support environmental protection and conservation programs. Apart from the fact that legislation has been introduced to abolish this and all other revolving funds, the environmental response fund is specifically allocated to address hazardous substance releases. Other worthwhile conservation programs dealing with land or wildlife management would have no access to these funds as stipulated in Section 128D-4(c) HRS.