

February 14, 2023

Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair
Committee on Agriculture and Environment

Senator Lynn DeCoite, Chair
Senator Glenn Waikai, Vice Chair
Committee on Energy, Economic Development and Tourism

Wednesday, February 15, 2023

1:00 pm

Via Videoconference

RE: **SB1004** Relating to Taxation (**Strong Support**)

Dear Chairs Gabbard & DeCoite, Vice Chairs Richards & Waikai, & Members of the Committees,

The Chamber of Sustainable Commerce (CSC) testifies in strong support of SB1004, which establishes a carbon emissions tax credit, expands the environmental response, energy, and food security tax to include carbon emissions, and requires the Office of Planning and Sustainable Development, in consultation with the Department of Taxation, to recommend updates to the tax per fuel and corresponding tax credits.

As business owners who believe we can strengthen our economy without hurting workers, consumers, or the environment, we urge this committee to pass SB1004. The carbon tax on carbon emitting fossil fuels will bring consumer pricing closer to what they would actually cost without \$662 billion in subsidies the United States provided fossil fuel industries in 2020. This would level out the playing field for alternative energy options.

Carbon taxes often disproportionately burden lower-income earners; however the tax credit structure included in this bill will offset this impact.



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