

Tax Review Commission

Meeting Minutes, April 15, 2021

Virtual Zoom Meeting
Due to Covid-19 Stay at Home Ordinance
Meeting was held virtually
Video [Recording](#)

Thursday, April 15, 2021
12:00 p.m.

PRESENT

Council Members:

Elizabeth Giesting (Chair), Alton Miyashiro (Vice Chair), Murray Clay,
Sayle Hirashima, Katharine Lloyd, Scott Teruya

Staff Members:

Department of Taxation (DOTAX): Director Isaac Choy, Seth Colby, Yvonne
Chow, Baybars Karacaovali, Dongliang Wu, Roderick Tuliao

CALL TO ORDER

Chair called the meeting to order at 12:00 p.m. A quorum was present.

COMMUNICATIONS TO THE COMMISSION AND PUBLIC COMMENT

Chair Giesting asked if there was any communication to the Tax Review Commission (TRC).
Public Comment from DOTAX Director Isaac Choy informed the commission of proposed
funding in the budget for commission that is in the Senate Budget but has not yet been passed
into law.

MINUTES OF THE MEETING OF MARCH 17, 2021

Chair Giesting called for a motion to approve the minutes.

**It was moved by Mr. Teruya and seconded by Vice Chair Miyashiro that the minutes of the
March 17th meeting be accepted. The Chair called for the vote, and the motion passed with
the following votes:**

Elizabeth Giesting	Yes
Alton Miyashiro	Yes
Murray Clay	Yes
Sayle Hirashima	Yes
Katharine Lloyd	Yes
Scott Teruya	Yes

REPORT COUNCILMEMBERS COMMUNICATION WITH STAKEHOLDERS

Chair Giesting reported the groups with whom the Commissioners have discussed TRC business. No communication with stakeholders was reported.

PRESENTATION ON CARBON TAX ASSESSMENT FOR HAWAII ECONOMIC AND GREENHOUSE GAS IMPACTS BY MAKENA COFFMAN, DIRECTOR, INSTITUTE FOR SUSTAINABILITY AND RESILIENCE PROFESSOR, URBAN AND REGIONAL PLANNING RESEARCH FELLOW, UHERO

Professor Makena Coffman made a presentation on Carbon Tax Assessment for Hawaii Economic and Greenhouse Gas Impacts. [The presentation is posted on the TRC website.]

QUESTION AND COMMENTS FROM PRESENTATION ON CARBON TAX STUDY

Chair Giesting opened the meeting for discussion to Dr. Coffman's presentation by asking the Commission if there were any questions.

Ms. Lloyd brought to attention a question asked from the public made by Ms. Nicole Woo about the differences in consumption patterns between the five income quintiles. How does Professor Makena Coffman's model account for the differences between the five income quintiles in their response to the carbon tax?

Dr. Makena stated that the model internally updates the changes over time relative to the baseline.

Dr. Seth Colby asked if Professor Makena Coffman could give her thoughts on the rationale for carbon tax at the state level from the following three standpoints 1. Environmental 2. Distribution 3. Revenue.

Dr. Coffman said that the social cost of carbon is valid for the State of Hawaii. She also said that the issue of a carbon tax is best addressed at the national level

Mr. Clay added that the cost of carbon and the cost of climate change in Hawaii would typically be higher than the world on average.

Chair Giesting followed up by commenting on the importance of taxes and the incentives that are given to those who could afford to get PV, electric vehicles, energy efficient appliances, etc. She said that the dividends which tend to be disproportionately favor lower income households, it may still not be enough to incentivize people to make that conversion due varying factors such as bigger households, no parking space, etc.

PROPOSED TRC MEETING AGENDAS PRESENTED BY CHAIR GIESTING

Chair Giesting suggested proposed TRC agendas for future meetings highlighting points of concern per Commission members. Dates of future TRC meetings and proposed agendas were accepted. [The proposed TRC Meeting Agenda is posted on the TRC website.]

NEXT MEETING:

The Tax Review Commission tentatively agreed to meet on Wednesday, May 19, 2021, at 12 p.m. It will be a virtual meeting. The Chair adjourned the meeting.

ADJOURNMENT:

The meeting adjourned at 1:53 p.m.