

January 20, 2026

## The Consequences of Hawaii's "Net Zero" CO2 Emissions Laws in the Transportation Sector

### A Briefing Paper of The Practical Policy Institute of Hawaii

Just what Hawaii's beleaguered residents need: a State transportation plan which will be hugely costly, damaging to Hawaii's economy, and lessening transportation choices -- all in the name of reducing carbon dioxide (CO2) emissions. Implementation of the plan will provide an overall net negative benefit to Hawaii's residents. How did we get ourselves into this predicament? Here's the sequence of events.

In 2018 and 2023, the Legislature passed laws setting targets to achieve net zero CO2 emissions from ground, air, and sea transportation in Hawaii by 2045. However, there was no plan, no cost estimates, nor determination of feasibility.

In 2022, a lawsuit was filed on behalf of 13 Hawaii youth, alleging that the Hawaii Department of Transportation (HDOT) was making insufficient progress, and lacked "any plan or prospect for meeting the Zero Emissions Target." The suit ("Navahine vs. HDOT") was instigated by two lawfare entities: Oregon-based Our Children's Trust and Hawaii-based Earthjustice Mid-Pacific. According to one observer, the attorneys "cynically deployed Hawaii children for maximum PR value." At the time of the lawsuit, two of the children were ages 10 and 13. Some would say great that the keiki were involved, others would say they were exploited.

In 2024, the State entered into an out-of-court Settlement Agreement with the entities. It turns out that Our Children's Trust has filed similar suits in all 50 states; Hawaii is the only state to have caved in. Kam Napier, commenting in the Aloha State Daily on the Settlement: "This is monumentally undemocratic and elected officials had no business settling this suit. What the state agreed to is ludicrous... one hopes that had this gone to trial, a sensible judge would have laughed it out the door."

In 2025 and as mandated, the HDOT somehow developed a Plan strangely titled "Hawaii Energy Security and Waste Reduction Plan." The Plan is 258 pages long, essentially drawing emission reduction line graphs for each transportation sector, making sweeping assumptions/mandates. The Plan charts a course to "reduce transportation emissions by 50% by 2030 (from 2005 levels) and achieve net-negative transportation emissions by 2045." Remarkably, the Plan doesn't quantify the economic costs.

So what's in the Plan that's causes so much angst and concern? Following are comments on three of dozens of elements that are included in the Plan.

For ground transportation, the Plan calls for the sale of new cars and trucks to reach 80% electric vehicles (EVs) by 2030 and 100% by 2035. Wow, is that even remotely realistic given the current status of EV sales (12% of total), no doubt declining without the Federal subsidy? One can only imagine how strongly Hawaii's residents will react to any mandate requiring a much more expensive car or truck. For heavy-duty vehicles (such as diesel trucks and construction machinery), the Plan calls for phasing in costly "low carbon diesel," then the unrealistic phaseout of all internal combustion vehicles, including heavy-duty. Beyond improbable.

The Plan further notes that, to be successful, there will need to be “successful transition to renewable sources by the energy sector.” But if many EVs are energized from the grid, and grid electricity is generated in large part by fossil fuels (which appears likely on Oahu for the foreseeable future), where’s the supposed CO2 reduction?

For air transportation, the Plan calls for converting from Jet-A to costly “sustainable aviation fuel” (SAF) for fueling both inter-island and outbound airliners; fuel would be derived from plants (the Plan mentions Camellia). By 2035, 50% of jet fuel uploads must be SAF, and 100% by 2045. By HDOT’s own admission, SAF currently costs three to five times more than Jet-A; the cost will no doubt be passed on to airline customers. Great, another blow to the cost of living in Hawaii.

Remarkably, the Plan assumes a 65% CO2 reduction in emissions from the switch. Since jet engine CO2 emissions are nearly identical for each fuel, there will be no reduction in emissions in Hawaii—just a “maybe” on some far-off continent. How so? The answer is theoretical “life cycle rationale” that feedstock plants for SAF will absorb some CO2 during growth. But this conveniently ignores the negative CO2 absorption effect from clearing millions of acres of mature forest land (likely in South America or Indonesia) in order to grow the SAF feedstock for the airline industry. Perhaps SAF is an environmental mistake.

For the marine sector, the Plan targets cruise ships that self-power when in Hawaii ports and during transit, with an exception for homeported ships. A draft of the Plan called for reducing cruise ship calls to Hawaii by 50% by 2030 and 75% by 2035. The final Plan calls for a 95% reduction in CO2 emissions by 2045, with no fossil fuels (not even LNG) used to meet the target. Michael Hansen, President of the Hawaii Shippers Council, observed “HDOT’s plan would virtually and unnecessarily ban cruise ships....a significant source of local business with low impact.” Do we really want to inflict this damage to our economy?

So where does all of this leave us? In a pickle. Before spending taxpayer dollars for such things as \$300 million for bikeways, the Legislature should hit PAUSE, investigate, and hold hearings. The Plan states, “For the emission reduction strategy to be supported by the public, approved, and actually implemented, they must not be so economically extreme that they make Hawaii unaffordable for its residents.” We believe many residents are already there, and implementation of this Plan will only worsen the problem.

Yes, we should all work to reduce transportation sector emissions to the maximum extent practical. But the Plan clearly exposes the net zero laws to be both impractical and imprudent. Leaving the net zero laws on the books, without amendment, would be a huge disservice to Hawaii’s residents.

It is also worth examining the “Why” of Hawaii’s net zero laws--ostensibly, to make a contribution to reducing global CO2 emissions. But by how much? The Plan reveals Hawaii’s transportation sector emissions to be 9 million metric tons per year; the International Energy Agency estimates global CO2 emissions to be 38 billion metric tons. Even if Hawaii were to achieve net zero, the reduction would be less than three one-hundredths of 1% of global emissions. Our view is that the “cost-benefit ratio” is way out of whack. Hawaii’s residents and businesses are being asked to sacrifice far too much for any minuscule global benefit.