STAND. COM. REP. NO. 1962 -18

Honolulu, Hawaii

APR 06 , 2018

RE: S.B. No. 2100

S.D. 2 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2100, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to update the renewable energy technologies income tax credit by, among other things:

- (1) Eliminating the term "renewable energy technology system" and amending the language of the tax credit to focus on solar energy systems, wind energy systems, and energy storage systems;
- (2) Authorizing a tax credit for energy storage systems; and
- (3) Reducing the amount of the tax credit that may be claimed for solar energy systems used primarily to generate electricity, based on when the solar energy system is first placed into service.

The Alliance for Solar Choice, Energy Research Systems, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Sierra Club of Hawai'i submitted testimony in support of this measure. Hawai'i Gas, Hawaii Teamsters and Allied

Workers, Local 996, and Land Use Research Foundation of Hawaii submitted testimony in opposition to this measure. The Department of Business, Economic Development and Tourism, Department of Taxation, Tax Foundation of Hawaii, Distributed Energy Resources Council of Hawaii, Tesla Inc., Blue Planet Foundation, NRG Renew, LLC, Ulupono Initiative, and Hawaii Solar Energy Association submitted comments.

Your Committee has amended this measure by:

- (1) Changing all tax credit amounts for solar energy systems, wind energy systems, and energy storage systems to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2100, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2100, S.D. 2, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE. Chair

## State of Hawaii House of Representatives HSCR 1962-18 The Twenty-ninth Legislature

## **Record of Votes of the Committee on Finance**

The creommendation is to:    Pass, unamended (as is)   Pass, with amendments (HD)   Hold     Pass short form bill with HD to recommit for future public hearing (recommit)    FIN Members   Ayes   Ayes (WR)   Nays   Excused	Bill/Resolution No.:  SB 2/00, SD 2, HO/	Committee Referral:		Date: 3/28/2	0/8	
FIN Members Ayes Ayes (WR) Nays Excused  1. LUKE, Sylvia (C) 2. CULLEN, Ty J.K. (VC) 3. CACHOLA, Romy M. 4. DeCOTTE, Lynn 5. FUKUMOTO, Beth 6. GATES, Cedric Asuega 7. HOLT, Daniel 8. KECHOKALOLE, Jarrett 9. KOBAYASHI, Bertrand 10. LOWEN, Nicole E. 11. NAKAMURA, Nadine K. 12. TODD, Chris 13. YAMASHITA, Kyle T. 14. TUPOLA, Andria P.L. 15. WARD, Gene  TOTAL (15)  The recommendation is:  DAdopted If joint referral,						
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Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO	Vice Chair's or designee's signature:					
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