



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

September 15, 2020

**GOV. MSG. NO. 1166**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on September 15, 2020, the following bill was signed into law:

SB2820 SD2 HD2

RELATING TO RENEWABLE ENERGY.  
**Act 061 (20)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

Approved by the Governor

on SEP 15 2020

THE SENATE  
THIRTIETH LEGISLATURE, 2020  
STATE OF HAWAII

**ACT 061**  
**S.B. NO.** 2820  
S.D. 2  
H.D. 2

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## A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Section 235-12.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) When the requirements of subsection (d) are met, each  
4 individual or corporate taxpayer that files an individual or  
5 corporate net income tax return for a taxable year may claim a  
6 tax credit under this section against the Hawaii state  
7 individual or corporate net income tax. The tax credit may be  
8 claimed for every eligible renewable energy technology system  
9 that is installed and placed in service in the State by a  
10 taxpayer during the taxable year. The tax credit may be claimed  
11 as follows:

12 (1) For each solar energy system: thirty-five per cent of  
13 the actual cost or the cap amount determined in  
14 subsection (b) [~~whichever is less; or~~]; provided  
15 that:

16 (A) For taxable years beginning after December 31,  
17 2019, and except as provided in subparagraphs (B)



1                   and (C), no tax credit may be claimed for a solar  
2                   energy system that is five megawatts in total  
3                   output capacity or larger and requires a power  
4                   purchase agreement approved by the public  
5                   utilities commission;  
6            (B) A solar energy system that is five megawatts in  
7                   total output capacity or larger, installed and  
8                   placed in service pursuant to a power purchase  
9                   agreement approved or pending approval by a  
10                  decision and order by the public utilities  
11                  commission prior to December 31, 2019, shall  
12                  continue to receive a tax credit equal to thirty-  
13                  five per cent of the actual cost, or \$500,000 per  
14                  solar energy system that has a total output  
15                  capacity of at least one thousand kilowatts per  
16                  system of direct current, whichever is less; and  
17            (C) For each solar energy system integrated with a  
18                  pumped hydroelectric energy storage system, the  
19                  tax credit may be claimed for thirty-five per  
20                  cent of the actual cost or the cap amount  
21                  determined in subsection (b), whichever is less;



1                   provided that applicable project approval filings  
2                   have been made to the public utilities commission  
3                   by December 31, 2021; or

4           (2) For each wind-powered energy system: twenty per cent  
5           of the actual cost or the cap amount determined in  
6           subsection (b), whichever is less;

7   provided further that multiple owners of a single system shall  
8   be entitled to a single tax credit; and provided further that  
9   the tax credit shall be apportioned between the owners in  
10   proportion to their contribution to the cost of the system.

11           In the case of a partnership, S corporation, estate, or  
12   trust, the tax credit allowable is for every eligible renewable  
13   energy technology system that is installed and placed in service  
14   in the State by the entity. The cost upon which the tax credit  
15   is computed shall be determined at the entity level.

16   Distribution and share of credit shall be determined pursuant to  
17   ~~[section 235-110.7(a).]~~ administrative rule."

18           SECTION 2. Statutory material to be repealed is bracketed  
19   and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval  
2 and shall apply to taxable years beginning after December 31,  
3 2019.

APPROVED this 15 day of SEP, 2020


A handwritten signature in black ink, appearing to read "David Ige", written in a cursive style.

GOVERNOR OF THE STATE OF HAWAII

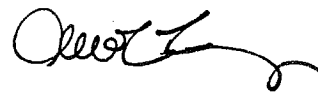
**THE SENATE OF THE STATE OF HAWAI'I**

Date: July 10, 2020  
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2020.



President of the Senate



Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE  
STATE OF HAWAII

Date: July 6, 2020  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Third Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2020.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives