STAND. COM. REP. NO. **30**

Honolulu, Hawaii

FEB 08 , 2022

RE: H.B. No. 1809

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 1809 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a renewable fuels production tax credit.

Your Committee received testimony in support of this measure from the Hawaii State Energy Office, Life of the Land, Hawaii Clean Power Alliance, Hawaii Gas, Climate Protectors Hawaii, Pacific Biodiesel Technologies, and one individual. Your Committee received testimony in opposition to this measure from the Pet Food Institute. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, Tax Foundation of Hawaii, and one individual.

Your Committee finds that creating a stronger market for renewable fuels is essential to developing a sustainable clean energy economy in the State. Therefore, further investments and incentives are necessary to encourage renewable fuel production. This measure establishes a renewable fuels production tax credit, helping the State achieve its goal of one hundred percent renewable energy by 2045.

Your Committee has amended this measure by:

- (1) Directing the Hawaii State Energy Office, rather than the Department of Business, Economic Development, and Tourism, to verify and certify certain information for taxpayers claiming the renewable fuels production tax credit, including certification that the renewable fuels produced have life cycle emissions substantially below that of fossil fuels;
- (2) Changing the effective date to July 1, 2100, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1809, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1809, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

NICOLE E. LOWEN, Chair

State of Hawaii



Record of Votes of the Committee on Energy & Environmental Protection

	ttee Referral: P, CPC, F	Date:	2/1/27	,
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)				
2. MARTEN, Lisa (VC)				3.1
3. HASHEM, Mark J.				
4. MATAYOSHI, Scot Z.				
5. PERRUSO, Amy A.				
6. TODD, Chris			er antari annualia aram er e e e e e e e e e e e e e e e e e e	
7. TOKIOKA, James Kunane				
O MATSUMOTIO I				
8. MATSUMOTO, Lauren				
TOTAL (8)	8			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: hose Norto				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				