

Honolulu, Hawaii

MAR 04 , 2022

RE: H.B. No. 2278
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 Finance, to which was referred H.B. No. 2278, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the Environmental Response, Energy, and Food Security Tax to tax carbon emissions; and
- (2) Establish a refundable income tax credit to mitigate the effect of the carbon emissions tax.

Your Committee received testimony in support of this measure from the Citizens' Climate Lobby - Hawaii Island Chapter, Citizens' Climate Lobby - Honolulu Chapter, Climate Protectors Hawai'i, Faith Action for Community Equity, Kauai Climate Action Coalition, The Nature Conservancy, Sustainable Energy Hawai'i, KauaiEV, First Unitarian Church, and nineteen individuals. Your Committee received testimony in opposition to this measure from Hawaii Logistic Service, Hawaii Transportation Association, Practical Policy Institute of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, Hawaii State Energy Office, Citizens' Climate Lobby Hawaii, Ulupono Initiative, Imua



Alliance, Par Hawaii, Grassroot Institute of Hawaii, Tax
Foundation of Hawaii, Airlines for America, and two individuals.

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 H.B. No.
2278, H.D. 1, and recommends that it pass Third Reading.

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



A handwritten signature in black ink, appearing to read 'Sylvia Luke', written over a horizontal line.

SYLVIA LUKE, Chair



