

STAND. COM. REP. NO.

3061

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 2511
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2511, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to make the renewable energy technologies income tax credit available to taxpayers that install and use qualifying firm renewable energy systems.

Your Committee received written comments in support of this measure from Sustainable Energy Hawaii, Hawaii Clean Power Alliance, and nine individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Department of Taxation, Department of Budget and Finance, Hawaii State Energy Office, Tax Foundation of Hawaii, Climate Protectors Hawaii, Hawaiian Electric, and two individuals.

Your Committee finds that the use of renewable energy resources would enable the State to be energy self-sufficient and secure, resist fluctuations in oil prices, achieve environmental sustainability, promote economic development, and increase



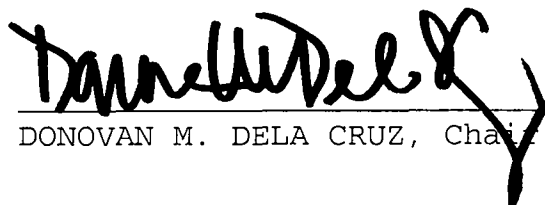
employment. Your Committee finds that expanding the renewable energy technologies income tax credit to include firm renewable energy systems would help the State to achieve these goals.

Your Committee has amended this measure by:

- (1) Requiring a firm renewable energy system to have an actual output of one thousand kilowatts of alternating current, rather than merely a capacity for that output;
- (2) Amending the definition of "firm renewable energy system" to exclude systems that are not always available on demand, and to delete emissions limitations;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2511, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2511, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



