

STAND. COM. REP. NO. 1805

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 1295
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1295, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to require all state and county agencies to utilize applicable federal clean energy tax credits, pursuant to the Inflation Reduction Act of 2022, for the purchase and financing of renewable energy projects and zero-emission vehicles.

Your Committee received written comments in support of this measure from the Hawaii Public Utilities Commission, Ulupono Initiative, and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Inflation Reduction Act of 2022 authorized a tax credit monetization option known as "elective pay" or "direct pay," which made clean energy tax benefits available to state and local governments, nonprofit organizations, and public utilities, which have historically been excluded from the tax benefits. Your Committee further finds that the availability of these clean energy tax credits presents an



opportunity for the State and counties to expand the reach of clean energy incentives and take an active role in building a clean energy economy.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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 H.B. No. 1295, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1295, H.D. 2, S.D. 1.

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




DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB1295 HDZ	Committee Referral: EIG, WAM	Date: 4/3/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	13	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designer's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes