

STAND. COM. REP. NO.

1201

Honolulu, Hawaii

MAR 13 , 2025

RE: S.B. No. 1120
S.D. 1
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred S.B. No. 1120, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to require the Department of Transportation to adopt rules regarding a clean fuel standard for alternative fuels in the State.

Your Committee received testimony in support of this measure from the Department of Transportation; Oahu Metropolitan Planning Organization; Neste; Biotechnology Innovation Organization; Twelve Benefit Corporation; Infinium Operations, LLC; Amazon; Coalition Earth; Fair Wind Inc.; Island Energy Services, LLC; and one individual. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from Growth Energy; Par Hawaii; Hawaiian Electric; Alaska Airlines; and Hawaiian Airlines.

Your Committee finds that clean fuel policies drive the adoption of lower carbon transportation technologies, resulting in advanced competition and a diversity of fuel options for consumers. Your Committee further finds that a clean fuel

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standard would enable the State to meet its decarbonization goals in regard to transportation fuels.

Your Committee notes that alternative fuels technology is an emerging technology in the State and as such, the financial impacts of adoption are not easily discernable and need to be thoroughly studied to ensure its adoption does not impose an unfair financial burden on taxpayers.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Transportation to conduct a feasibility study on implementing clean fuel standards for alternative fuels, including its potential fiscal impact on the State, and requiring a report to the Legislature sixty days before the convening of the Regular Session of 2027;
- (2) Requiring the Department of Transportation to start the rule making process on July 1, 2027, and adopt final rules governing a clean fuel standard for alternative fuels by January 1, 2028;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) 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 Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1120, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1120, S.D. 1, H.D. 1, and be referred to your Committee on Energy & Environmental Protection.



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

A handwritten signature in black ink, appearing to be 'Darius Kila', written over a horizontal line.

DARIUS KILA, Chair



HSCR 1201

Bill/Resolution No.: SBT120 SD1	Committee Referral: TRN, EEP, FIN	Date: 3/11/25		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. KILA, Darius K. (C)	✓			
2. GRANDINETTI, Tina Nakada (VC)	✓			
3. COCHRAN, Elle				✓
4. EVSLIN, Luke A.	✓			
5. KITAGAWA, Lisa	✓			
6. LA CHICA, Trish	✓			
7. MIYAKE, Tyson K.	✓			
8. MURAOKA, Christopher L.	✓		✓	
9. PIERICK, Elijah			✓	
TOTAL (9)	6		2	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				