

STAND. COM. REP. NO. ~~500~~ -24

Honolulu, Hawaii
, 2024

FEB 16

RE: H.B. No. 2297
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2297 entitled:

"A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS,"

begs leave to report as follows:

The purpose of this measure is to require the Hawaii State Energy Office to adopt rules governing a clean fuel standard for gasoline and diesel in the State.

Your Committee received testimony in support of this measure from the Hawai'i Climate Change Mitigation and Adaption Commission; Biotechnology Innovation Organization; Neste; International Brotherhood of Electric Workers Local Union 1186; Alliance for Automotive Innovation; and Clean Energy. Your Committee received comments on this measure from the Hawaii State Energy Office; Maui Chamber of Commerce; and Hawaiian Electric.

Your Committee finds that establishing a clean fuel standard for alternative fuels will help reduce greenhouse gas emissions and stimulate economic development. This measure addresses this need by requiring the Hawaii State Energy Office to adopt rules governing a clean fuel standard for gasoline and diesel.

Your Committee has amended this measure by:

2024-1460 HB2297 HD1 HSCR HMSO



- (1) Specifying that the clean fuel standard will apply to alternative fuels;
- (2) Changing the average carbon intensity reduction requirements from an unspecified amount to at least ten percent below 2019 levels by 2035 and at least fifty percent below 2019 levels by 2045;
- (3) Changing the implementation deadline for the clean fuel standard for alternative fuels to January 1, 2026;
- (4) Deleting the requirement that the rules include standards for measuring lifecycle greenhouse gas sequestrations attributable to the production and use of various fuels;
- (5) Clarifying that the Hawaii State Energy Office has the discretion, but is not required, to adopt rules for mechanisms that allow for the trading and banking of credits and exemptions for diesel, gasoline, and alternative fuels that are used in volumes below thresholds established by the Hawaii State Energy office;
- (6) Clarifying the rule regarding mechanisms for generating credits for fuels used in transportation;
- (7) Adding military as an exempt end-use that may opt in to the program to generate credits when using alternative fuel;
- (8) Amending the definition of "alternative fuel";
- (9) Changing the effective date to July 1, 3000; and
- (10) 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. 2297, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No.



2297, 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
House of Representatives
The Thirty-second Legislature

HOUSE 528-24

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2297	Committee Referral: EEP, CPC	Date: 2/8/24		
<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)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LOWEN, Nicole E. (C)	✓			
2. COCHRAN, Elle (VC)	✓			
3. GATES, Cedric Asuega	✓			
4. KAHALOA, Kirstin	✓			
5. PERRUSO, Amy A.				✓
6. WOODSON, Justin H.	✓			
7. WARD, Gene	✓			
TOTAL (7)	6			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Elle Cochran</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				