

Honolulu, Hawaii

FEB 08 , 2022

RE: H.B. No. 1809
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 Energy & Environmental Protection, to which was referred H.B. No. 1809 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a renewable fuels production tax credit.

Your Committee received testimony in support of this measure from the Hawaii State Energy Office, Life of the Land, Hawaii Clean Power Alliance, Hawai'i Gas, Climate Protectors Hawai'i, Pacific Biodiesel Technologies, and one individual. Your Committee received testimony in opposition to this measure from the Pet Food Institute. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, Tax Foundation of Hawaii, and one individual.

Your Committee finds that creating a stronger market for renewable fuels is essential to developing a sustainable clean energy economy in the State. Therefore, further investments and incentives are necessary to encourage renewable fuel production. This measure establishes a renewable fuels production tax credit, helping the State achieve its goal of one hundred percent renewable energy by 2045.



Your Committee has amended this measure by:

- (1) Directing the Hawaii State Energy Office, rather than the Department of Business, Economic Development, and Tourism, to verify and certify certain information for taxpayers claiming the renewable fuels production tax credit, including certification that the renewable fuels produced have life cycle emissions substantially below that of fossil fuels;
- (2) Changing the effective date to July 1, 2100, to encourage further discussion; and
- (3) 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. 1809, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1809, 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



