STAND. COM. REP. NO. 546 -22

Honolulu, Hawaii

FEB 17 , 2022

RE: H.B. No. 1809

H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1809, H.D. 1, 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; Pacific Biodiesel Technologies, LLC; 350Hawaii.org; Climate Protectors Hawaii; Hawaii Gas; Our Revolution Hawaii; Hawaii Clean Power Alliance; Recycle Hawaii and Clean the Pacific; and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, Tax Foundation of Hawaii, Hawaii Forest Stewards, Life of the Land, Aloha Tree Alliance, and eight individuals.

Your Committee finds that this measure supports the State's goal of achieving one hundred percent renewable energy generation by 2045 by providing a tax incentive for taxpayers to produce renewable fuels. This measure establishes a system for qualifying for, verifying, and managing the tax credit in a transparent manner.

Your Committee has amended this measure by:

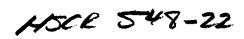
- (1) Inserting language to ensure that each taxpayer shall not be eligible for more than a single ten-year credit period; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1809, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1809, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

AARON LYNG JOHANSON, Chair

State of Hawaii House of Representatives The Thirty-first Legislature



Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:		Committee Referral: Date:				
HB 1809, H	101	EEP, CPC, FIN		2-15-22		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold						
☐ Pass short form bill with HD to recommit for future public hearing (recommit)						
CPC Members		Ayes	Ayes (WF	R) Nays	Excused	
1. JOHANSON, Aaron Ling (C)		V				
2. KITAGAWA, Lisa (VC)		V-				
3. AQUINO, Henry J.C.					V	
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4. HAR, Sharon E.			\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \			
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5. HASHEM, Mark J.					V	
6. KONG, Sam Satoru		·				
7. MIZUNO, John M.	•					
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8. MORIKAWA, Dee		V			·	
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9. ONISHI, Richard H.K.	•	V				
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10. TARNAS, David A.		V				
11. MATSUMOTO, Lauren						
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TOTAL (11)	(Ø	1		3	
The recommendation is: Adopted						
If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						