STAND. COM. REP. NO. 1416-22

Honolulu, Hawaii

MAR 24

, 2022

RE: S.B. No. 2478

S.D. 2 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 Consumer Protection & Commerce, to which was referred S.B. No. 2478, S.D. 2, 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 reinstate the renewable fuels production tax credit, with certain modifications.

Your Committee received testimony in support of this measure from the Hawaii State Energy Office, Hawaii Farm Bureau, Hawaiii Gas, Par Hawaii, Hawaii Clean Power Alliance, and numerous individuals. Your Committee received testimony in opposition to this measure from the Civil Beat Law Center for the Public Interest, 350Hawaii.org, Pet Food Institute, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and Climate Protectors Hawaii.

Your Committee finds that renewable fuels provide lower-cost alternative fuels for residential, commercial, and industrial customers. Act 202, Session Laws of Hawaii 2016, established a renewable fuels production tax credit to achieve greater energy security for the State and promote the production of locally grown feedstock; however, the tax credit expired on December 31, 2021.

Your Committee recognizes the continuing importance of producing fuel from renewable feedstocks and therefore finds that reinstating the renewable fuels production tax credit will again provide a financial incentive for the production of renewable fuels while also supporting Hawaii's agricultural industry.

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 S.B. No. 2478, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

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

AARON UING JOHANSON, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature

## 46CR 1416-22

## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.:	Committee Referral: Date:			
SB 2478, SD2, HD4	EEP/EW, CP	C, FIN	3/21/22	
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 (WR)	Nays	Excused
1. JOHANSON, Aaron Ling (C)				
2. KITAGAWA, Lisa (VC)				
3. AQUINO, Henry J.C.			The second secon	
4. HAR, Sharon E.				
5. HASHEM, Mark J.	V			
6. KONG, Sam Satoru				-
7. MIZUNO, John M.				
8. MORIKAWA, Dee				
9. ONISHI, Richard H.K.				
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10. TARNAS, David A.				
11. MATSUMOTO, Lauren	J			
				-
TOTAL (11) /	11	0	0	0
The recommendation is: Adopted   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				