

STAND. COM. REP. NO.

352

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 1295
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 Energy & Environmental Protection, to which was referred H.B. No. 1295 entitled:

"A BILL FOR AN ACT RELATING TO CLEAN ENERGY,"

begs leave to report as follows:

The purpose of this measure is to require all state and county agencies to utilize applicable federal clean energy tax credits, pursuant to the Inflation Reduction Act of 2022, for the purchase and financing of capital improvement projects that use clean energy technology and zero-emission vehicles.

Your Committee received testimony in support of this measure from the Public Utilities Commission and one individual.

Your Committee finds that the Inflation Reduction Act of 2022 allows for "elective pay", a tax credit monetization option commonly known as "direct pay", which makes clean energy tax benefits available to state and local governments, amongst other entities. This measure requires all state and county agencies to utilize applicable federal clean energy tax credits, pursuant to the Inflation Reduction Act, for the purchase and financing of capital improvement projects that use clean energy and zero-emission vehicles.

Your Committee has amended this measure by:

2025-1600 HB1295 HD1 HSCR HMSO



- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) 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. 1295, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1295, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



