

Honolulu, Hawaii

FEB 09, 2026

RE: H.B. No. 1986
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 1986 entitled:

"A BILL FOR AN ACT RELATING TO A CLEAN FUEL STANDARD,"

begs leave to report as follows:

The purpose of this measure is to require the Department of Transportation to adopt rules by January 1, 2028, to establish a clean fuel standard for alternative fuels in the State in order to reduce lifecycle greenhouse gas emissions, stimulate economic development, improve environmental health, and accelerate Hawaii's transition to clean transportation.

Your Committee received testimony in support of this measure from the Department of Transportation; Imua Alliance; Neste; Pump Cleaner Fuels Hawai'i; Simonpietri Enterprises LLC; Low Carbon Fuels Coalition; Clean Energy; RNG COALITION; American Biogas Council; and one individual. Your Committee received testimony in opposition to this measure from the Energy Justice Network. Your Committee received comments on this measure from Par Hawaii; Island Energy Services; and Beta Analytic, Inc.

Your Committee finds that transportation is the largest source of lifecycle greenhouse gas emissions in the State and that reducing emissions from this sector is critical to meeting Hawaii's climate goals. A clean fuel standard that rewards lower



carbon intensity fuels can drive investment in local industries, reduce waste, and support emerging technologies across energy, agriculture, and transportation. This measure provides a technology-neutral, market-based approach to decarbonize Hawaii's transportation fuels, promote public health, and enhance energy resilience.

Your Committee has amended this measure by:

- (1) Clarifying that only transportation fuel that is sold, supplied, or dispensed for consumption within the State shall retire any associated credit or debit;
- (2) Requiring the Department of Transportation to use the most recently updated version of Argonne National Lab's GREET model, with biennially or triennially updates;
- (3) Authorizing the Department of Transportation to consult and coordinate with other jurisdictions that are implementing clean fuel standard programs;
- (4) Requiring the Department of Transportation to submit a biennial report to the Legislature;
- (5) Requiring the Department of Transportation to conduct public informational sessions to provide updates on the implementation and performance of the clean fuel standard on alternative fuels;
- (6) Requiring the Department of Transportation to conduct public informational sessions for substantive rule amendments or clean fuel standard expansion;
- (7) Requiring the Department of Health to consult with the Department of Transportation or Hawaii State Energy Office in the designation of greenhouse gases;
- (8) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



Your Committee further requests that the Department of Transportation and relevant stakeholders work toward clarifying the definition of "lifecycle greenhouse gas emissions" as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1986, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1986, H.D. 1, and be referred to your Committee on Energy & Environmental Protection.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,



DARIUS KILA, Chair



State of Hawaii
 House of Representatives
 The Thirty-third Legislature

HSCL 91-26

Record of Votes of the Committee on Transportation

Bill/Resolution No.:	Committee Referral:	Date:		
HB 1986	TRN, EEP, FIN	FEB 05, 2026		
<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)				
TRN Members	Ayes	Ayes (WR)	Nays	Excused
1. KILA, Darius K. (C)	✓			
2. MIYAKE, Tyson K. (VC)	✓			
3. COCHRAN, Elle	✓			
4. EVSLIN, Luke A.	✓			
5. GRANDINETTI, Tina Nakada	✓			
6. KITAGAWA, Lisa	✓			
7. LA CHICA, Trish	✓			
8. MURAOKA, Christopher L.	✓			
9. PIERICK, Elijah				✓
TOTAL (9)	8	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u>Tyson Miyake</u>				
Distribution: Original (White) – Committee		Duplicate (Yellow) – Chief Clerk's Office	Duplicate (Pink) – HMSO	