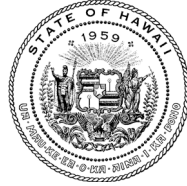


JOSH GREEN M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR



GARY S. SUGANUMA  
DIRECTOR

KRISTEN M.R. SAKAMOTO  
DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF TAXATION**  
Ka 'Oihana 'Auhau  
P.O. BOX 259  
HONOLULU, HAWAII 96809  
PHONE NO: (808) 587-1540  
FAX NO: (808) 587-1560

## TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

### TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 3183, S.D.2, Relating to Renewable Energy

### BEFORE THE:

House Committee on Energy & Environmental Protection

**DATE:** Thursday, March 19, 2026

**TIME:** 9:40 a.m.

**LOCATION:** State Capitol, Room 325

Chair Lowen, Vice-Chair Perruso, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding S.B. 3183, S.D.2, for your consideration.

S.B. 3183, S.D.2, amends section 235-12.5, Hawaii Revised Statutes (HRS), the Renewable Energy Technologies Income Tax Credit (RETITC), by adding a subsection that limits the credit for systems installed on a single-family residential property to individual or jointly filing taxpayers with an adjusted gross income (AGI) of \$250,000 or less. This income restriction does not apply to a third party financing a solar energy system for a single-family residential property, or to any energy system that primarily uses solar energy to heat water for household use.

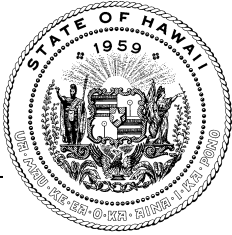
The bill also amends section 235-12.5(c)(2)(A), HRS, by replacing the \$5,000 cap per solar energy system (if other than a solar water heater) for single-family residential property with an unspecified cap amount.

S.B. 3183, S.D.2, also increases the AGI thresholds for individual taxpayers to request any excess of the credit over payments be refunded, from \$20,000 to \$40,000 for those filing individually, and from \$40,000 to \$60,000 for those married filing jointly.

The measure has a defective effective date of April 19, 2042, and applies to taxable years beginning after December 31, 2026.

DOTAX notes that it can implement these changes for taxable years beginning after December 31, 2026.

Thank you for the opportunity to provide comments on this measure.



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone:  
Web:

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

MARK B. GLICK  
CHIEF ENERGY OFFICER

(808) 451-6648  
energy.hawaii.gov

Testimony of  
**MARK B. GLICK, Chief Energy Officer**

before the  
**HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

Thursday, March 19, 2026  
9:40 AM  
State Capitol, Conference Room 325, and Videoconference

Providing Comments on  
**SB 3183, SD2**

**RELATING TO RENEWABLE ENERGY.**

Chair Lowen, Vice Chair Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on SB 3183, SD2, which proposes several amendments to the Renewable Energy Technologies Income Tax Credit (REITC). Specifically, the measure would: 1) impose a \$250,000 adjusted gross income (AGI) eligibility limit for certain residential solar credits beginning December 31, 2026, with specified exemptions; 2) changes the existing cap amounts for solar energy systems, excluding solar water heating systems; and 3) increase the AGI eligibility thresholds for individual taxpayers electing to receive refundable credits.

SB 3183, SD2, raises important equity questions about who benefits from state incentives. However, given current market conditions and the recent expiration of federal residential solar incentives, HSEO cautions against implementing significant changes to the REITC in this legislative session. Accordingly, HSEO recommends removing the language imposing the \$250,000 AGI eligibility limit (page 5, lines 4-14). If the committee prefers to keep the language, HSEO suggests increasing the threshold. HSEO notes that the House version of the bill, HB 2241, increases the AGI eligibility limit for joint filers to \$350,000.

Thank you for the opportunity to testify.

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Restrict Renewable Energy Technologies; Income Tax Credit to Taxpayers Under \$250K AGI

BILL NUMBER: SB 3183 SD2

INTRODUCED BY: WAM

EXECUTIVE SUMMARY: Prohibits individually or jointly filing taxpayers with an adjusted gross income of \$250,000 or greater from claiming the renewable energy technologies income tax credit for certain solar energy systems installed and placed in service on a single-family residential property, with certain exemptions. Increases the adjusted gross income requirements for an individual taxpayer to elect to have any excess credits refunded. Applies to taxable years beginning after 12/31/26. Effective 4/19/2042. (SD2)

SYNOPSIS: Amends sec 235-12.5(b), HRS, for tax credit claims on solar energy systems installed and placed in service on a single-family residential property for taxable years beginning after December 31, 2026. The tax credit shall be available if the taxpayer's adjusted gross income is \$250,000 or less, whether filing an individual or joint tax return.

This income restriction shall not apply to a third party financing a solar energy system for single-family residential property; provided further that this income restriction shall not apply to any energy systems with the primary purpose of using energy from the sun to heat water for household use.

Amends sec 235-12.5(a) to change the credit cap on single family residential property systems to \$\_\_\_\_\_.

Amends sec 235-12.5(h) to allow a taxpayer to elect that the credit be made refundable without reduction if the taxpayer's adjusted gross income is \$40,000 or less (up from \$20,000) of adjusted gross income (\$60,000, up from \$40,000, if married filing jointly).

EFFECTIVE DATE: April 19, 2042, for taxable years beginning after December 31, 2026.

STAFF COMMENTS: The measure restricts the availability of the tax credit for solar energy systems installed on single family residential property to low- and moderate-income families. It also expands the elective tax credit refundability by increasing the AGI thresholds.

The tax system is there to raise revenue to keep the government moving. Using the tax system to shape social policy merely throws the revenue raising system out of whack, making the system less than reliable as there is no way to determine how many taxpayers will avail themselves of the credit and in what amount.

Furthermore, tax credits are nothing more than the expenditure of public dollars, but out the back door. If, in fact, these dollars were subject to the appropriation process, would taxpayers be as generous about the expenditure of these funds when our kids are roasting in the public school classrooms, there isn't enough money for social service programs, or our state hospitals are on the verge of collapse?

If lawmakers want to subsidize the purchase of this type of technology, then a direct appropriation would be more accountable and transparent.

Digested: 3/17/2026



**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

**Testimony of the Hawaii Solar Energy Association (HSEA) Regarding SB3183 SD2, Relating to Renewable Energy, Before the House Committee on Energy and Environmental Protection**

**Thursday, March 19, 2026**

**Aloha Chair Lowen, Vice Chair Perruso, and Committee Members,**

The Hawaii Solar Energy Association (HSEA) **respectfully opposes SB3183 SD2**. Although we appreciate the intent of the measure to support equity and enhanced accessibility to clean and affordable renewable energy, an income restriction on eligibility to claim the credit is not the way to do it. Hawaii needs to broadly accelerate investment and installation of distributed, customer-sited solar and energy storage to achieve energy resilience goals. Reducing or restructuring the Renewable Energy Technologies Income Tax Credit (RETITC) would undermine those very objectives. A reduction in the credit will broadly decrease access to solar and energy storage and create unintended harm for households, businesses, and the local clean energy economy.

HSEA represents locally owned solar and energy storage contractors, as well as national and global clean energy companies doing business in Hawaii. Our members employ thousands of Hawaii residents in skilled, family-sustaining jobs across construction, engineering, sales, and operations.

**Opposition to the Income-Based Restriction**

HSEA is particularly concerned with the provision restricting eligibility for the RETITC for single-family residential systems based on taxpayer income levels:

- **First, the RETITC is a proven, high-return public investment – not merely a tax expenditure.** Hawaii’s RETITC (or “solar ITC”) is a strategic investment that has consistently delivered measurable economic and fiscal returns to the State. According to the Hawaii Department of Business, Economic Development, and Tourism (DBEDT), each dollar invested in customer-sited distributed energy resources such as rooftop solar and energy storage generates between \$1.47 and \$2.12 in direct economic output and supports between 7.79 and 11.8 jobs.<sup>1</sup> Moreover, every \$1 in state tax credit generates

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<sup>1</sup> See DBEDT-READ 2017 *State Input-Output Study and Condensed Input-Output Transactions Table*, ‘mining and construction’ category. ([https://dbedt.hawaii.gov/economic/reports\\_studies/2017-io/](https://dbedt.hawaii.gov/economic/reports_studies/2017-io/))



**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

between \$1.97 and \$2.67 in additional state revenue, improving the State's fiscal position.<sup>2</sup> Residential solar systems generate approximately \$66,810 in added economic output over their lifetimes, while commercial systems generate approximately \$8.5 million.<sup>3</sup> Each additional megawatt of solar adds 19 to 27 jobs statewide<sup>4</sup>, and every \$1 in state incentives attracts \$3.25 in additional private and federal investment.<sup>5</sup> Weakening this policy risks reducing overall investment, shrinking economic output, and undermining these demonstrated returns to the State.

- **Second, reducing market participation harms local businesses and workers.** Hawaii's solar industry employs thousands of residents across income levels, many of whom are precisely the intended beneficiaries of affordability-focused policies. Shrinking the market reduces project volume, raises soft costs, and undermines job stability in an industry that delivers broad economic benefits across the State.
- **Third, the restriction suppresses overall demand** at a time when Hawaii needs to accelerate distributed energy resource (DER) deployment to achieve our energy security and resilience goals. In addition to our overall 100% by 2045 renewable portfolio standard (RPS), Act 266 (SB589) and the Governor's Executive Order 15-01 explicitly call for a near-term acceleration of DER installations. Slowing solar deployment makes it harder, not easier, to achieve these statewide objectives.

### **More Effective Ways to Advance Equity and Affordability**

If the Legislature's goal is to expand equitable access to clean energy, HSEA believes more effective tools are available, including:

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<sup>2</sup> Thomas A. Laudat and Prahlad Kasturi, 2017. "[The Economic and Fiscal Impacts of Hawaii's Solar Tax Credit](#)," *International Journal of Energy Economics and Policy, Econjournals*, vol.7(1), pages 224-252.

<sup>3</sup> Laudat and Katsuri, 2017

<sup>4</sup> [Solar Foundation National Solar Jobs Census 2020](#); [SEIA Solar Market Insight Report 2020](#); and Bill Nussey, [Freeing Energy](#).

<sup>5</sup> Based on the net refundable tax credit rate of 24.5%, leaving 75.5% from other sources, private and federal. 77.5 divided by 24.5 equals 3.25.



**Hawaii Solar Energy Association**  
*Serving Hawaii Since 1977*

- expanding access to financing through the **Hawaii Green Infrastructure Authority (HGIA)**;
- standing up viable **Community-Based Renewable Energy (CBRE)** and **Retail Wheeling** programs with **on-bill payment**;
- **reducing soft costs** through permitting and interconnection reforms;
- **implementing well-designed grid services tariffs** that reduce customer bills and drive higher penetration of reliable, lower-cost energy on the grid; and
- addressing high energy burdens directly through programs such as Hawaii’s version of **LIHEAP**.

These approaches increase access without shrinking the market, harming local employers, or slowing progress toward Hawaii’s clean energy goals.

The RETITC has consistently proven to be a high-return public investment – attracting private capital investment; creating local jobs and lowering electricity bills; strengthening energy security and reliability; and delivering long-term benefits to taxpayers.

HSEA is open to working with stakeholders to develop a transition plan tied to Hawaii’s policy priorities but respectfully asks that you defer this measure at this time.

Thank you for the opportunity to testify.

Sincerely,

**Rocky Mould**

Executive Director



## ENERGY ADVISORS

March 17, 2026

OPPOSITION to SB3183 SD2

Dear Chair, Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify. Respectfully,



**Anthony Amendola**  
President/CEO

(808) 688 3216 (480) 510 9197  
aa@energyadvsrs.com  
energyadvisorshawaii.com

*"Making Sustainability Profitable"*

Energy Advisors provides turn-key building improvement solutions through the development and funding of renewable energy, energy efficiency, EV Charging, and capital improvements in Hawai'i.

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:09:54 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Isidro Villaflor	PV Tech	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Sid Villaflor

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:13:04 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
PAUL OREM	Photonworks Engineering	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Paul Orem- CEO Photonworks Engineering LLP

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:25:05 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kathryn Troyan	Alternate Energy Inc.	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Kathryn Troyan

Alternate Energy Inc.

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:06:27 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James Rudolph	Independent Energy	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:40:17 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Shane Tanuvasa	Solartech Hawaii LLC	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:43:19 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ella Aki	Sol-Ark	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Mahalo,

Ella Aki

**SB-3183-SD-2**

Submitted on: 3/17/2026 10:00:28 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cruz Romero	HI-POWER Solar LLC.	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 10:26:01 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kim Keahiolalo	EP Cube	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 11:49:33 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jeffrey Kaemmerlen	Sunspear Energy	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Jeffrey Kaemmerlen

**SB-3183-SD-2**

Submitted on: 3/17/2026 12:14:10 PM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Scott Saville	LegaSea Energy	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

SCOTT

**SB-3183-SD-2**

Submitted on: 3/17/2026 2:34:22 PM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chris DeBone	Hawaii Energy Connection (aka KumuKit solar)	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:10:52 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Radford Nakamura	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Radford Nakamura

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:27:46 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Chris Schopen	Alternate Energy Inc	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:29:27 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
wei lian	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully **oppose SB3183 SD2**. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify,

Wei Lian

**SB-3183-SD-2**

Submitted on: 3/17/2026 8:46:56 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Ted Grupenhoff	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Mahalo Nui Loa, Ted Grupenhoff

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:11:03 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Michelle Chung	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose HB2241 HD1.

During the recent Kona Low, statewide over 100,000 electrical customers without Solar and Batteries experienced a multi-day electricity outage and the loss of valuable perishables, etc. Those losses in one weekend could easily reach into many millions of dollars.

Those that had already installed Solar and Batteries had a very different experience. They had power. Their homes were safe and comfortable. They didn't put extra demands on emergency services and they probably had opportunities to help their neighbors save the refrigerator. And they got service from their installers (if needed). Millions of potential losses in perishables were avoided.

Imposing income restrictions on the Renewable Energy Technologies Income Tax Credit is inherently unfair to those who have not already gone solar and would shrink Hawaii's solar and energy storage market at a vulnerable time when Federal credits are being removed. The individual credit is one of the few tax reduction measures available to homeowners and it brings in many more dollars in new economic activity.

By shrinking and damaging the local market this bill will also threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Michelle Chung

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:11:13 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Joshua F. Powell	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose HB2241 HD1.

During the recent Kona Low, statewide over 100,000 electrical customers without Solar and Batteries experienced a multi-day electricity outage and the loss of valuable perishables, etc. Those losses in one weekend could easily reach into many millions of dollars.

Those that had already installed Solar and Batteries had a very different experience. They had power. Their homes were safe and comfortable. They didn't put extra demands on emergency services and they probably had opportunities to help their neighbors save the refrigerator. And they got service from their installers (if needed). Millions of potential losses in perishables were avoided.

Imposing income restrictions on the Renewable Energy Technologies Income Tax Credit is inherently unfair to those who have not already gone solar and would shrink Hawaii's solar and energy storage market at a vulnerable time when Federal credits are being removed. The individual credit is one of the few tax reduction measures available to homeowners and it brings in many more dollars in new economic activity.

By shrinking and damaging the local market this bill will also threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Joshua F. Powell

**SB-3183-SD-2**

Submitted on: 3/17/2026 9:58:41 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jeff Lum	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

**SB-3183-SD-2**

Submitted on: 3/17/2026 11:15:17 AM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Miles	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I respectfully oppose SB3183 SD2. While we understand the intent of the measure, imposing income restrictions on the Renewable Energy Technologies Income Tax Credit would shrink Hawaii's solar and energy storage market, threaten local jobs, and slow progress toward our clean energy, resilience, and energy security goals. Please defer this measure.

Mahalo for the opportunity to testify.

Sincerely,

Miles Yoshimoto

Project Developer

Alternate Energy Inc.

96-1276 Waihona Street Unit 114 Pearl City HI 96782

**SB-3183-SD-2**

Submitted on: 3/17/2026 1:42:11 PM

Testimony for EEP on 3/19/2026 9:40:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Brett Kulbis	Individual	Oppose	Written Testimony Only

Comments:

Chair Lowen and Committee Members,

My name is Brett Kulbis, I'm a 26yr retired Navy Veteran, who took a solemn oath to defend the Constitution from all enemies foreign and domestic, and that oath didn't expire when I retired. I live in Ewa Beach.

I STRONGLY OPPOSE BILL SB-3183 SD2.

SB-3183 SD2 moves Hawai'i in the wrong direction on tax and budget policy. While framed as a targeted reform, the bill largely preserves, and in key ways solidifies a sizable, technology-specific tax expenditure with no firm overall limit on State exposure, while pushing the effective date far into the future.

SB-3183 SD2 maintains a generous 35% tax credit for solar systems and 20% for wind systems, with caps that remain very high for commercial installations (up to \$500,000 per system), and without any aggregate annual cap on the total cost to the State. The bill even leaves the explicit dollar cap for "other" solar energy systems on single-family homes blank, signaling an intention to keep the per-system cap flexible or subject to later rulemaking, rather than locking in a concrete guardrail in statute. At a time when Hawaii faces serious fiscal pressures—from infrastructure needs to cost-of-living challenges—keeping a large, open-ended tax preference on the books is fiscally imprudent.

The bill entrenches what was originally sold as a transitional incentive. The measure does not establish a clear phase-down or sunset of the renewable energy technologies income tax credit; instead, it pushes the effective date of its changes out to April 19, 2042, with application to taxable years beginning after December 31, 2026. This effectively locks in a complex, technology-specific tax subsidy framework for the long term, turning what should have been a temporary market-starter into a permanent entitlement for one favored sector.

The bill continues to pick winners and losers in the marketplace. It prohibits taxpayers with adjusted gross incomes of \$250,000 or more from claiming the credit for certain solar systems on single-family residences, but explicitly exempts third-party financiers of those systems and solar water-heating systems for household use. That means well-capitalized leasing and power-purchase-agreement companies can still benefit, and higher-income households may still access subsidized arrangements indirectly, while many other businesses and families in

non-subsidized sectors see no comparable relief. Tax policy should be broad-based and neutral, not engineered around particular technologies and business models.

The bill makes an already complicated provision even more intricate. The bill layers an income cap for certain residential systems, exemptions for third-party financing and solar water heating, and revised income thresholds for refundable credits (raising the AGI limit for getting a refund of excess credits from \$20,000 to \$40,000 for single filers and from \$40,000 to \$60,000 for joint filers). Each additional special rule increases compliance burdens for taxpayers and administrative costs for the Department of Taxation, and complexity itself has a fiscal cost, inviting confusion, gaming, and enforcement difficulties.

SB-3183 SD2 uses narrow, opaque tax expenditures to pursue broad policy goals, such as “equitable access” and job protection, that should be debated through transparent appropriations and broad-based tax reform. If the Legislature wants to help low and moderate income families with energy costs, more direct and honest tools are available: lowering overall income-tax rates, providing targeted utility assistance, or addressing regulatory drivers of high electricity prices. Hiding energy policy and industry support inside the tax code makes the true fiscal cost less visible and harder for the public to evaluate.

For these reasons, I strongly urge the Committee to defer SB-3183 SD2.

Brett Kulbis  
U.S. Navy Retired