

STAND. COM. REP. NO. 1166-26

Honolulu, Hawaii

MAR 06 , 2026

RE: H.B. No. 1695
H.D. 2

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

Madame:

Your Committee on Finance, to which was referred H.B. No. 1695, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE FUEL,"

begs leave to report as follows:

The purpose of this measure is to amend the Renewable Fuels Production Tax Credit by:

- (1) Increasing the credit amount and allowing only fuels that meet certain emissions thresholds to be eligible for the credit;
- (2) Offering additional credit values for low lifecycle emissions renewable fuels and sustainable aviation fuel;
- (3) Allowing taxpayers who previously claimed a tax credit for a single credit period for taxable years beginning before January 1, 2027, to claim another credit for taxable years beginning after December 31, 2026;
- (4) Amending various credit cap amounts and the distribution process for available credits; and
- (5) Expanding the types of feedstocks that can be used to produce renewable fuels eligible for credits.

2026-2282 HB1695 HD2 HSCR HMSO



Your Committee received testimony in support of this measure from the Hawai'i Farm Bureau; Par Hawaii; Hawai'i Renewable Fuels Coalition; Alaska Airlines and Hawaiian Airlines; and Pono Pacific.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1695, H.D. 2, and recommends that it pass Third Reading.

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



CHRIS TODD, Chair



