

STAND. COM. REP. NO. 720-26

Honolulu, Hawaii

FEB 20 , 2026

RE: H.B. No. 1986  
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 Energy & Environmental Protection, to which was referred H.B. No. 1986, H.D. 1, 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, establishing a clean fuel standard for alternative fuels in the State.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawai'i Climate Change Mitigation and Adaptation Commission; Neste; Low Carbon Fuels Coalition; Island Energy Services, LLC; Pump Cleaner Fuels Hawai'i; Clean Energy; Imua Alliance; Rivian Automotive, LLC; Life of the Land; RNG COALITION; and numerous individuals. Your Committee received testimony in opposition to this measure from the Energy Justice Network; Environmental Caucus of the Democratic Party of Hawai'i; and six individuals. Your Committee received comments on this measure from Alaska Airlines and Hawaiian Airlines; Beta Analytic; and Par Hawaii.

Your Committee finds that the establishment of a clean fuel standard is central to reducing lifecycle greenhouse gas emissions, as transportation is the State's largest source of lifecycle greenhouse gas emissions. Your Committee further finds

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that without policies specific to the transportation sector, the State's zero-emissions transportation goal and zero-emissions clean economy target will be unattainable. Your Committee believes that this measure proposes a clean fuel standard that not only deploys clean transportation fuel technologies to reduce carbon emissions but also creates incentives for investment, innovation, and job creation in sectors such as agriculture, construction, energy, forestry, landscape restoration, transportation, and waste management and creates new markets for what is usually considered waste, thereby encouraging a circular economy.

Your Committee has amended this measure by 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. 1986, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1986, H.D. 2.

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



NICOLE E. LOWEN, Chair



