

STAND. COM. REP. NO. 2785

Honolulu, Hawaii

MAR 05 2026

RE: S.B. No. 2376  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2376, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE RENEWABLE FUELS PRODUCTION TAX CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the Renewable Fuels Production Tax Credit established under section 235-110.32, Hawaii Revised Statutes.

More specifically, this measure:

- (1) Clarifies that the Renewable Fuels Production Tax Credit shall only be claimed by taxpayers for which qualified renewable fuels production costs are incurred within the State and sold for distribution within the State;
- (2) Allows taxpayers to be eligible for a separate ten-year credit period for each separate qualified renewable fuels production that independently meets eligibility requirements; and
- (3) Extends the timeframe for taxpayers to file certain statements with the Hawaii State Energy Office.



Your Committee received written comments in support of this measure from a member of the Honolulu City Council, Alaska Airlines and Hawaiian Airlines, Hawaii Clean Power Alliance, Hawaii Farm Bureau, Hawaii Gas, Hawaii Renewable Fuels Coalition, Hawaii Transportation Association, Kapolei Chamber of Commerce, Pacific Biodiesel Technologies, Par Hawaii, Pono Pacific, and one individual.

Your Committee received written comments on this measure from the Department of Taxation, Hawaii State Energy Office, Office of Information Practices, Island Energy Services, Tax Foundation of Hawaii, and one individual.

Your Committee finds that limiting eligibility for the Renewable Fuels Production Tax Credit to renewable fuels that are produced and sold for distribution in the State, and that demonstrate lifecycle greenhouse gas emissions below those of fossil fuels, is consistent with existing state renewable energy goals. Your Committee also finds that authorizing separate credit periods for separate qualified productions, extending the deadline for submitting required statements, and clarifying confidentiality provisions will promote the development of renewable fuels production in the State.

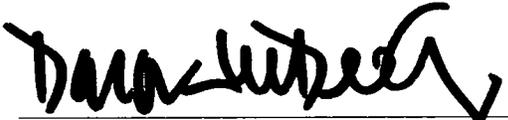
Your Committee has amended this measure by:

- (1) Removing language prohibiting the disclosure of the location of a renewable fuel production facility; and
- (2) Requiring that, if the aggregate cap amount of the Renewable Fuels Production Tax Credit is exceeded during a calendar year, the Hawaii State Energy Office issue a certificate to a taxpayer stating the amount eligible to be claimed in the subsequent year.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2376, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2376, S.D. 2.



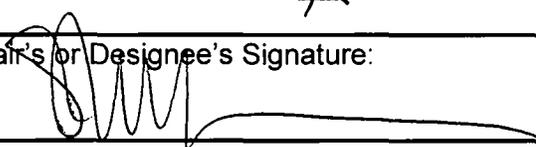
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 2376, ODI</b>	Committee Referral: <b>EIG/AEN, WAM</b>	Date: <b>3/2/2026</b> <b>2/25/2026</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
DECOITE, Lynn	X			
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
RICHARDS, III, Herbert M. "Tim"	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink File with Committee Report     Committee     Drafting Agency				

\*Only one measure per Record of Votes