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

before the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, February 17, 2026
9:30 AM
State Capitol, Conference Room 325 and Videoconference

Providing Comments on
HB 2241

RELATING TO RENEWABLE ENERGY.

Chair Lowen, Vice Perruso, and Members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HB 2241, 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) remove 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.

HB 2241 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 eligibility threshold.

Mahalo for the opportunity to testify.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259

HONOLULU, HAWAII 96809

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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 2241, Relating to Renewable Energy

BEFORE THE:

House Committee on Energy & Environmental Protection

DATE: Tuesday, February 17, 2026

TIME: 9:30 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 H.B. 2241 for your consideration.

H.B. 2241 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 single-family residential property, or to any energy system that primarily uses solar energy to heat water for household use.

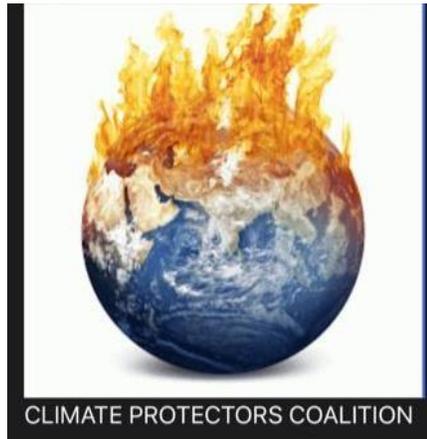
The bill deletes the \$5,000 cap per solar energy system for single-family residential property other than solar water heaters under section 235-12.5(c)(2)(A). As a result, eligible taxpayers will be able to claim the credit for a single-family residential property based on 35 percent of the actual cost.

H.B. 2241 also increases the AGI thresholds for individual taxpayers, from \$20,000 to \$40,000 for individual filers, and from \$40,000 to \$60,000 for those filing as married filing jointly, to request any excess of the credit over payments be refundable.

The measure is effective upon approval and applies to taxable years beginning after December 31, 2026.

DOTAX notes that it can implement the tax law changes by the effective date currently stated in the bill.

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



To: The Honorable Representative Nicole Lowen, Chair, the Honorable Amy Perruso, Vice Chair, and Members of the Committee on Energy and Environmental Protection.

From: Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing **HB2241 RELATING TO RENEWABLE ENERGY**

Hearing: Tuesday February 17, 2024 9:30 a.m.

Aloha Chair Lowen, Vice Chair Perruso, and Energy and Environmental Protection Committee Members:

The mission of the Climate Protectors Hawai'i is to educate and engage the local community in climate change action.

The Climate Protectors Hawai'i SUPPORTS HB2241's removal of the \$5,000 cap for residential solar systems!

Climate Protectors Hawai'i supports the bill's removal of the \$5,000 cap on the Renewable Energy Technologies Income Tax Credit (RETITC) for residential solar systems. This change is timely and appropriate. Federal support for residential

solar and energy storage is being scaled back or eliminated, creating significant uncertainty and disruption in Hawaii's clean energy market. At the same time, Hawaii continues to face high electricity costs, increasing climate risks, and growing demand for customer-sited solar and battery systems that enhance grid resilience. Removing the cap helps ensure the RETITC continues to function as intended:

- lowering upfront costs,
- enabling solar-plus-storage adoption, and
- mobilizing private capital to support the State's renewable energy, affordability, and resilience objectives.

At a moment when federal policy is retreating, state and local governments must step up.

Mahalo!

Climate Protectors Hawai'i (by Ted Bohlen)

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: Renewable Energy Technologies; Income Tax Credit; Income Restriction; Solar Energy Systems

BILL NUMBER: HB 2241; SB 3183

INTRODUCED BY: HB by LOWEN, PERRUSO; SB by WAKAI, McKelvey

EXECUTIVE SUMMARY: Amends the renewable energy technologies income tax credit by beginning 12/31/26, prohibiting individually or jointly filing taxpayers with an adjusted gross income of \$250,000 or greater from claiming a credit for certain solar energy systems installed and placed in service on a single-family residential property, with certain exemptions; removing certain cap amounts for solar energy systems; and increasing the adjusted gross income requirements for an individual taxpayer to elect to have any excess credits refunded.

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.

Makes conforming amendments in sec 235-12.5(a) to remove the credit cap on single family residential property systems.

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: 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.

Re: HB 2241

Page 2

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: 2/13/2026



Legislative Testimony of Sunrun Inc.
Before the EEP Committee
February 17, 2026

PROVIDING COMMENTS on HB2241 – Relating to Renewable Energy

Dear Chair Lowen, Vice Chair Perruso, and distinguished Members of the Committee on Energy and Environmental Protection,

Sunrun is the nation’s leading home solar, battery storage and energy services company, and has a long and proud history in Hawai‘i with office and warehouse locations on O‘ahu, Maui, and Hawai‘i Islands. We directly employ more than 200 professional solar workers across the islands, including sales/marketers, customer experience professionals, and installation team members including electrical inspectors, technicians, forepersons and warehouse personnel.

Sunrun would like to provide comments on HB2241, which would 1) restrict eligibility for single-family residential systems based on income; 2) remove the \$5,000 cap on the residential solar tax credit; and 3) expand refundability for lower-income households.

Sunrun supports HB2241’s removal of the \$5,000 cap on the renewable energy tax credit, which is critical to support solar and energy storage deployment as federal incentives are reduced. The rooftop solar industry is already experiencing a significant downturn since the 30% federal residential clean energy tax credit (25D) expired at the end of 2025.

Further, Sunrun shares industry concerns that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawai‘i’s progress toward its clean energy and resilience goals at a time of major federal market disruption. Hawai‘i has a 100% renewable portfolio standard (RPS) by 2045, and DER systems are critical to achieving the state’s goals while improving both affordability and grid resilience.

As a national provider of solar, storage, and energy services, Sunrun respectfully urges the Legislature to retain the cap removal and reconsider the income restriction in HB2241. Mahalo for the opportunity to provide testimony on this legislation.

HB-2241

Submitted on: 2/15/2026 12:11:12 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Hamilton	Inception Financial LLC	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

HB-2241

Submitted on: 2/15/2026 1:30:22 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
PAUL OREM	Photonworks Engineering	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Paul ORem - Photonworks Engineering

HB-2241

Submitted on: 2/15/2026 3:39:27 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
ALAN LENNARD	Green Power Projects LLC	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Thank you

Alan Lennard

Green Power Projects LLC

HB-2241

Submitted on: 2/16/2026 5:54:44 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Matthew Lynn	Centinel Public Partnerships LLC	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Matt Lynn

SVP, Energy & Utilities

310 Seven Springs Way, Suite 300, Brentwood, TN 37027

M 910 376 4628

HB-2241

Submitted on: 2/16/2026 6:26:35 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
William Giese	Inter-Island Solar Supply/The Solaray Corporation	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Testimony of the Hawaii Solar Energy Association (HSEA) Regarding HB2241, Relating to Renewable Energy, Before the House Committee on Energy and Environmental Protection

Tuesday, February 17, 2026

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

The Hawaii Solar Energy Association (HSEA) offers **comments** on HB2241. HSEA appreciates the Legislature’s continued attention to ensuring that Hawaii’s renewable energy policies promote affordability, equity, economic opportunity, and progress toward the State’s clean energy and resilience goals.

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.

Support for Removal of the Residential Cap

HSEA **strongly supports** the bill’s removal of the \$5,000 cap on the Renewable Energy Technologies Income Tax Credit (RETITC) for residential solar systems.

This change is timely and appropriate. Federal support for residential solar and energy storage is being scaled back or eliminated, creating significant uncertainty and disruption in Hawaii’s clean energy market. At the same time, Hawaii continues to face high electricity costs, increasing climate risks, and growing demand for customer-sited solar and battery systems that enhance grid resilience.

Removing the cap helps ensure the RETITC continues to function as intended:

- lowering upfront costs,
- enabling solar-plus-storage adoption, and
- mobilizing private capital to support the State’s renewable energy, affordability, and resilience objectives.

At a moment when federal policy is retreating, state and local governments must step up. This provision does exactly that.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

Concerns with the Income Restriction on Residential Systems

HSEA has **concerns** with the provision restricting eligibility for the RETITC for single-family residential systems based on taxpayer income.

While we understand and respect the intent to address equity and affordability, HSEA believes this approach is likely to have **unintended and counterproductive consequences**.

First, the restriction risks suppressing overall demand at a time when Hawaii is already falling behind on its distributed energy resource (DER) deployment goals, including those articulated in the Governor's Executive Order No. 25-01 and Act 266 (SB589). Slowing rooftop solar and energy storage deployment makes it harder, not easier, to achieve these statewide objectives.

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, this approach risks framing clean energy deployment as a zero-sum exercise, creating winners and losers rather than expanding access system-wide. Hawaii's clean energy transition requires inclusive, scalable solutions that grow the market while ensuring benefits are broadly shared.

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:

- 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 reform;
- 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 LIHEAP.



Hawaii Solar Energy Association
Serving Hawaii Since 1977

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

Conclusion

HSEA supports HB2241's removal of the residential cap on the RETITC and appreciates the Legislature's intent to address affordability and equity. However, we respectfully urge the Committee to reconsider the income-based restriction on residential systems and to continue to pursue more inclusive, market-expanding strategies that align with Hawaii's renewable energy, economic development, and resilience priorities.

The RETITC has consistently proven to be a high-return public investment -- driving private capital, creating local jobs, strengthening energy security, and delivering long-term benefits to taxpayers. Preserving and strengthening that role is critical at this moment.

Thank you for the opportunity to provide comments.

Sincerely,

/s/ Rocky Mould
Executive Director

HB-2241

Submitted on: 2/16/2026 11:38:53 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Isidro Villaflor	PV Tech	Oppose	Written Testimony Only

Comments:

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

I support parts of this bill but not all of it. I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I do not support restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Isidro Villaflor

LATE

HB-2241

Submitted on: 2/17/2026 5:59:26 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Schopen	Alternate Energy Inc	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

HB-2241

Submitted on: 2/15/2026 1:04:30 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Roy Skaggs	Individual	Comments	Written Testimony Only

Comments:

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

I strongly support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am strongly opposed to restricting eligibility for single-family residential systems based on income. This could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction. If a restriction were to become a reality, then the limits should be increased and joint filers should be double that of single filers.

Mahalo!

Roy Skaggs

HB-2241

Submitted on: 2/15/2026 4:50:00 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Radford Nakamura	Individual	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Radford Nakamura

HB-2241

Submitted on: 2/16/2026 8:40:31 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeff Lum	Individual	Support	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

HB-2241

Submitted on: 2/16/2026 9:51:43 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Miles	Individual	Comments	Written Testimony Only

Comments:

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

I support HB2241's removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii's progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.

Sincerely,

Miles Yoshimoto

Alternate Energy Inc.

96-1276 Waihona Street Unit 114 Pearl City HI 96782

HB-2241

Submitted on: 2/16/2026 3:25:55 PM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg Tjapkes	Individual	Support	Written Testimony Only

Comments:

My name is Greg Tjapkes (chap-kes), and I've been involved with Hawaii's solar industry since 2012, and selling residential solar since 2013. I do this as a 'second' income source, which allows my family to keep up with the cost of living in Hawaii.

I SUPPORT HB2241's removal of the \$5,000 cap on the renewable energy tax credit to help sustain solar and energy storage deployment as federal incentives decline, however I am concerned about the income restriction for residential systems.

The tax credit has is a major factor in the purchasing of a solar system - at ALL income levels. The loss of the federal residential tax credit has slowed business, and many customers that couldn't get their system installed in 2025 have now cancelled or paused their projects. I am concerned that income-based restrictions on single-family systems could reduce demand, harm local solar jobs, and slow Hawai'i's clean energy goals and resilience progress.

I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to comment.

Greg Tjapkes

LATE

HB-2241

Submitted on: 2/17/2026 6:41:43 AM

Testimony for EEP on 2/17/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
David Thompson	Individual	Support	Written Testimony Only

Comments:

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

I support HB2241’s removal of the \$5,000 cap on the renewable energy tax credit, which is an important step to support solar and energy storage deployment as federal incentives are reduced.

I am concerned that restricting eligibility for single-family residential systems based on income could reduce demand, harm local solar businesses and workers, and slow Hawaii’s progress toward its clean energy and resilience goals. I urge the Legislature to retain the cap removal and reconsider the income restriction.

Mahalo for the opportunity to provide comments on this bill.