



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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Testimony of  
**SCOTT J. GLENN, Chief Energy Officer**

before the  
**HOUSE Committee on ENERGY & ENVIRONMENTAL PROTECTION**

Tuesday, February 1, 2022  
9:00 AM  
State Capitol, Conference Room 325 & Videoconference

in SUPPORT of  
**HB 1809**  
**RELATING TO TAXATION.**

Chair Lowen, Vice Chair Marten, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports House Bill 1809, which establishes a renewable fuels production tax credit.

HSEO's comments are guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy.

Renewable fuels provide local jobs and economic benefits in both the energy and agricultural sectors, and can also provide value added products including food and cosmetics, among others that support economic diversification for Hawaii. HSEO managed the certification of the previous renewable fuels production tax credit ([Act 202, session Laws of Hawai'i 2016](#), amended by [Act 142, Session Laws of Hawaii 2017](#) and further amended by [Act 143, Session Laws of Hawai'i 2018](#)), which recently expired at the end of December 2021.

House Bill 1809 creates a ten-year credit period (compared to the five years under Act 202) and sets the annual aggregated cap at six million dollars (compared to three million under Act 202). The facility's minimum production requirement is set at 15 billion British thermal units per year.

HSEO recommends that the language of the amended statute (circa 2019 and 2020) be used, where possible, as a model for this legislation, as it includes updated provisions such as requiring the taxpayer to provide an independent third-party statement to verify the production values that are reported.

HSEO defers to the appropriate agencies on matters relating to tax administration and budget concerns.

Thank you for the opportunity to testify.