



# HAWAII STATE ENERGY OFFICE STATE OF HAWAII

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

before the  
**HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

Tuesday, January 30, 2024  
9:00 AM  
State Capitol, Conference Room 325 and Videoconference

Providing Comments on  
**HB 2296**

**RELATING TO RENEWABLE FUEL.**

Chair Lowen, Vice Chair Cochran, and members of the Committee, the Hawai'i State Energy Office (HSEO) offers comments on HB 2296, that (1) establishes a tax credit of up to \$50 million per year for the import of renewable fuel; (2) increases the overall funding available for the renewable fuels production tax credit from \$20 million to \$100 million dollars; (3) modifies the existing renewable fuels production tax credit to allow an increased credit for sustainable aviation fuel; and (4) makes several other changes to the existing renewable fuels production tax credit.

HSEO appreciates the intent of this bill to promote the use of non-petroleum fuels, but is concerned about the cost implications generated by this proposal and has serious reservations about the State of Hawai'i subsidizing fuel imports. HSEO notes that imports of ethanol fuel are estimated at over 40 million gallons per year.<sup>1</sup>

HSEO also notes that changing the filing and certification deadlines from 30 calendar days to 60 calendar days puts the date for process completion out to the second of May, which is beyond the State tax return deadline of the 20th day of the fourth month following the close of the tax year.

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<sup>1</sup> United States Energy Information Administration, Table F25: Fuel ethanol consumption estimates [by state], 2021.  
[https://www.eia.gov/state/secds/data.php?incfile=/state/secds/sep\\_fuel/html/fuel\\_use\\_en.html&sid=US&sid=HI](https://www.eia.gov/state/secds/data.php?incfile=/state/secds/sep_fuel/html/fuel_use_en.html&sid=US&sid=HI)

Thank you for the opportunity to testify.