

JAN 19 2007

A BILL FOR AN ACT

RELATING TO ENERGY RESOURCES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that solar energy devices
2 for heating water is a great cost saver for homeowners. The
3 monthly savings in electricity expenses would significantly
4 offset the cost of monthly mortgage payments. If every home has
5 a solar energy water heater, then the State's dependence on
6 imported oil would likewise be significantly reduced over time.

7 The purpose of this Act is to:

- 8 (1) Require the installation of solar energy devices for
9 heating water in all new residential construction,
10 beginning January 1, 2008; and
11 (2) Expands the existing income tax credit for solar
12 thermal energy systems for homes in existence as of
13 December 31, 2007.

14 SECTION 2. Chapter 196, Hawaii Revised Statutes, is
15 amended by adding a new section to be appropriately designated
16 and to read as follows:



1 (1) Solar thermal energy systems installed in single
2 family and multi-family residential properties before
3 January 1, 2008, for:

4 (A) Single-family residential property: thirty-five
5 per cent of the actual cost or [~~2,250~~] \$3,250,
6 whichever is less;

7 (B) Multi-family residential property: thirty-five
8 per cent of the actual cost or [~~\$350~~] \$450 per
9 unit, whichever is less; and

10 (C) Commercial property: thirty-five per cent of the
11 actual cost or \$250,000, whichever is less;

12 (2) Wind-powered energy systems for:

13 (A) Single-family residential property: twenty per
14 cent of the actual cost or \$1,500, whichever is
15 less;

16 (B) Multi-family residential property: twenty per
17 cent of the actual cost or \$200 per unit,
18 whichever is less; and

19 (C) Commercial property: twenty per cent of the
20 actual cost or \$500,000, whichever is less; and

21 (3) Photovoltaic energy systems for:

1 (A) Single-family residential property: thirty-five
2 per cent of the actual cost or \$5,000, whichever
3 is less;

4 (B) Multi-family residential property: thirty-five
5 per cent of the actual cost or \$350 per unit,
6 whichever is less; and

7 (C) Commercial property: thirty-five per cent of the
8 actual cost or \$500,000, whichever is less;

9 provided that multiple owners of a single system shall be
10 entitled to a single tax credit; and provided further that the
11 tax credit shall be apportioned between the owners in proportion
12 to their contribution to the cost of the system.

13 In the case of a partnership, S corporation, estate, or
14 trust, the tax credit allowable is for every eligible renewable
15 energy technology system that is installed and placed in service
16 by the entity. The cost upon which the tax credit is computed
17 shall be determined at the entity level. Distribution and share
18 of credit shall be determined pursuant to section 235-110.7(a)."

19 SECTION 4. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



S.B. NO. 644

1 SECTION 5. This Act shall take effect upon its approval.

2

INTRODUCED BY:

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Report Title:

Solar Energy Devices; Residential Construction

Description:

Requires the installation of solar energy devices in all new residential construction, beginning January 1, 2008. Increases limits for renewable energy income tax credit to systems installed and placed in service, in single family and multi-family residential properties before January 1, 2008.

