

STAND. COM. REP. NO. 1281

Honolulu, Hawaii

March 19, 2007

RE: S.B. No. 994  
S.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and Economic Development & Business Concerns, to which was referred S.B. No. 994, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING DISTRICT COOLING SYSTEMS,"

beg leave to report as follows:

The purpose of this measure is to enable seawater air conditioning district cooling systems to qualify for the tax credits and exemptions of being a qualified business in a state enterprise zone.

Specifically, this measure redefines "qualified business" (under the enterprise zone law) to include a business engaged in producing air conditioning from a seawater air conditioning district cooling system.

Your Committee received testimony in support of the measure from the Department of Business, Economic Development, and Tourism, Hawaii Renewable Energy Alliance, the Hawaii Energy Policy Forum, Honolulu Seawater Air Conditioning, LLC, and the Hawaii Science and Technology Council. Comments were received from the Department of Taxation, the Environmental Center of the University of Hawaii at Manoa, and the Tax Foundation.



Your Committee finds that this measure promotes the development of alternative energy systems and thereby enables the State to lessen its dependency on fossil fuel.

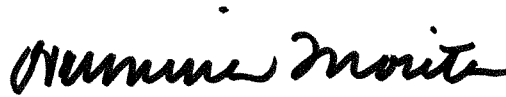
As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business Concerns that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 994, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Energy &  
Environmental Protection and  
Economic Development & Business  
Concerns,



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KYLE T. YAMASHITA, Chair



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HERMINA MORITA, Chair





