

STAND. COM. REP. NO. 3451

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 2005
H.D. 1
S.D. 3

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2005, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY TECHNOLOGIES,"

begs leave to report as follows:

The purpose of this measure is to expand the renewable energy technologies tax credit to include a refundable or non-refundable tax credit for solar energy systems.

In addition, this measure restructures the existing renewable energy technology tax credit and distinguishes between solar energy systems designed to heat water for household use and all other solar energy systems. The measure does not alter the existing tax credit or cap amounts.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; Hawaii County Council; Hawaii Energy Policy Forum; Hawaii Solar Energy Association; Hawaii PV Coalition & The Solar Alliance; Maui Land and Pineapple Company; Solar Wave Hawaii; Island Pacific Energy; and two concerned individuals. Comments on this measure were submitted by the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that this measure will clarify the applicability of the existing renewable energy technologies tax

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credit and provide a tax incentive for the use of renewable energy by Hawaii residents.

Your Committee has amended this measure by:

- (1) Clarifying the distinction between the two types of solar energy systems, solar thermal and solar electric, for which a tax credit may be claimed;
- (2) Adding a definition of "solar electric energy system" to include solar thermal electric and photovoltaic systems;
- (3) Adding a definition of "solar thermal energy system" to include solar water heating, solar air conditioning, solar space heating, solar drying, and solar process heat systems;
- (4) Deleting the definition of "household use"; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2005, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2005, H.D. 1, S.D. 3.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




ROSALYN N. BAKER, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <i>HB2005, HD1, SD2</i>	Committee Referral: <i>ENE, EDT, WAM</i>	Date: <i>4/1/08</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit <small>2312 2311 2310 2313</small>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
INOUYE, Lorraine R.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul	/			
TOTAL	11	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes