

STAND. COM. REP. NO. 2034

Honolulu, Hawaii

FEB 04 2008

RE: S.B. No. 2943  
S.D. 1

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

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 2943 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to increase tax incentives for renewable energy by:

- (1) Increasing the income tax credit for solar, wind-powered, and photovoltaic energy systems for commercial property and single- and multi-family residential property; and
- (2) Allowing the tax credit to be claimed for wave energy systems for commercial property.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; Hawaiian Electric Company, Inc.; and Hawaii Solar Energy Association. Comments regarding this measure were submitted by the Department of Taxation and the Tax Foundation of Hawaii.

The Hawaii Solar Energy Association suggested that an increase in the residential solar water heating cap is not justified at this time, as the majority of systems continue to be installed in the \$5,000 to \$6,000 range.

Accordingly, your Committee has amended this measure by:

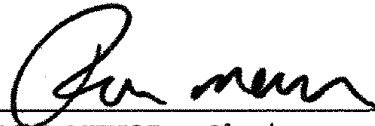
2008-1051 SSCR SMA.doc



- (1) Leaving the residential solar water heating cap at \$2,250;
- (2) Indicating that the proposed increases in the tax credit apply to taxable years beginning after December 31, 2007; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2943, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2943, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,

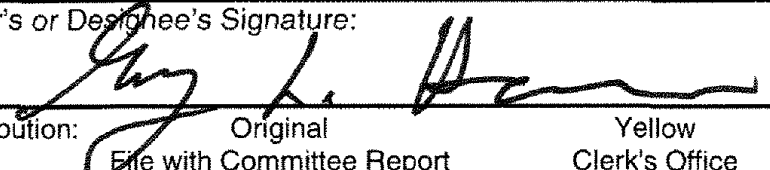


RON MENOR, Chair



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>SB 2943</b>	Committee Referral: <b>ENE, EDT, WAM</b>	Date: <b>1/31/08</b>		
<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 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MENOR, Ron (C)	✓			
HOOSER, Gary L. (VC)	✓			
IHARA, Jr., Les	✓			
KOKUBUN, Russell S.				✓
TRIMBLE, Gordon	✓			
<b>TOTAL</b>	<b>4</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original             Yellow             Pink File with Committee Report             Clerk's Office             Drafting Agency				

\*Only one measure per Record of Votes