

Honolulu, Hawaii

, 2009

RE: MAY 01 2009  
S.B. No. 464  
S.D. 2  
H.D. 2  
C.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 464, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to promote the use of, and investment in, renewable energy resources by amending the renewable energy technologies income tax credit to encourage the use of solar and wind energy systems, and permitting a portion of the excess of the credit over payments due to be refunded to the taxpayer under certain circumstances.

Your Committee on Conference finds that making this tax credit refundable at a reduced level will enable the solar industry in Hawaii to expand its role as an engine of economic stimulus and job creation in the current recessionary environment. Last year, the solar industry grew five hundred per cent and further room for



growth remains. At present, the solar industry is responsible for approximately two thousand jobs in Hawaii, but the market is artificially capped by inconsistencies in the tax code that make it virtually impossible for most would-be investors to use the credit. Without access to this tax credit, solar projects in Hawaii are not financially viable.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date from "July 1, 2020" to "July 1, 2009";
- (2) Making it applicable to taxable years beginning after December 31, 2008; and
- (3) Making technical, nonsubstantive amendments for the purpose of style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 464, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 464, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

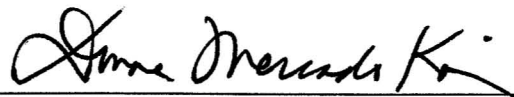
ON THE PART OF THE SENATE



HERMINA MORITA, Co-Chair



MIKE GABBARD, Chair



DONNA MERCADO KIM, Co-Chair



MARCUS R. OSHIRO, Co-Chair



**Record of Votes of a  
Conference Committee**

Bill / Concurrent Resolution No.: <b>SB/464, SD 2, HD 2</b>	Date/Time: <b>4/30/09 1:20 pm</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).


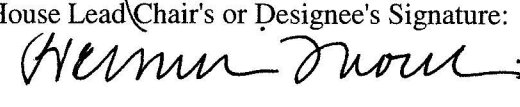
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GABBARD, Mike, Chr.	✓				MORITA, Hermina M., Co-Chr.	✓			
KIM, Donna Mercado, Co-Chr.	✓				OSHIRO, Marcus R., Co-Chr.	✓			
SLOM, Sam	✓				COFFMAN, Denny	✓			
					THIELEN, Cynthia	✓			
<b>TOTAL</b>	3	-	-	-	<b>TOTAL</b>	4	-	-	-

A = Aye
WR = Aye with Reservations
N = Nay
E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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