

Honolulu, Hawaii  
Feb 16, 2012

RE: H.B. No. 2326

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2326 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to amend the energy conservation income tax credit to provide that the basis of eligible depreciable property for state income tax purposes shall be reduced by the amount of the tax credit claimed.

Hawaii Solar Energy Association, Hawaii Association of REALTORS, and Hawaii Renewable Energy Alliance testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee notes that the fiscal tax issues that may arise under sections 4, 5, and 6 of this measure are outside of the scope of your Committee's subject matter jurisdiction and recommends that in reviewing these sections, your Committee on Finance consider the testimony from the Department of Taxation.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2326 and recommends that it pass Second Reading and be referred to the Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,

*Denny Coffman*

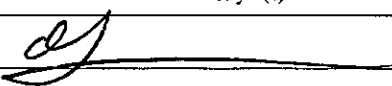
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DENNY COFFMAN, Chair



*HSCE 480-12*

**Record of Votes of the Committee on Energy & Environmental Protection**

Bill/Resolution No.: <i>HB 2320</i>	Committee Referral: <i>EEP, FIN</i>	Date: <i>2-9-12</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. COFFMAN, Denny (C)	<input checked="" type="checkbox"/>			
2. KAWAKAMI, Derek S.K. (VC)	<input checked="" type="checkbox"/>			
3. CABANILLA, Rida T.R.	<input checked="" type="checkbox"/>			
4. CARROLL, Mele				<input checked="" type="checkbox"/>
5. CHANG, Jerry L.	<input checked="" type="checkbox"/>			
6. HAR, Sharon E.		<input checked="" type="checkbox"/>		
7. HERKES, Robert N.				<input checked="" type="checkbox"/>
8. ITO, Ken	<input checked="" type="checkbox"/>			
9. NAKASHIMA, Mark M.	<input checked="" type="checkbox"/>			
10. RIVIERE, Gil		<input checked="" type="checkbox"/>		
11. THIELEN, Cynthia			<input checked="" type="checkbox"/>	
TOTAL (11)	<i>6</i>	<i>2</i>	<i>1</i>	<i>2</i>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				