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# SENATE CONCURRENT RESOLUTION

REQUESTING THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL  
AGRICULTURE AND HUMAN RESOURCES, WITH THE ASSISTANCE OF THE  
DEPARTMENT OF AGRICULTURE AND COMMISSION ON WATER RESOURCE  
MANAGEMENT, TO CONDUCT A STUDY REGARDING A PERMEABLE  
SURFACES TAX CREDIT.

1           WHEREAS, S.B. No. 1305, Regular Session of 2013, would have  
2 established a permeable surfaces income tax credit for taxpayers  
3 who maintain permeable surfaces and a tax deduction of expenses  
4 incurred toward certification as an organic agricultural  
5 operation based on the determination of a qualifying property's  
6 net water infiltration; and  
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8           WHEREAS, the amount of recharge to groundwater aquifers  
9 must be increased to meet rising water demands; and  
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11           WHEREAS, groundwater recharge can only occur if water can  
12 penetrate the land surface; and  
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14           WHEREAS, businesses and agricultural operations can provide  
15 a public service by opting to maintain a permeable land surface  
16 where water can percolate down to groundwater aquifers, thereby  
17 allowing excess water that is not evaporated or taken up by  
18 vegetation to become groundwater storage that will serve a  
19 future public good; and  
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21           WHEREAS, agricultural operations should be compensated for  
22 such public service, and an incentive should be provided to  
23 encourage agricultural operations to incorporate the performance  
24 of ecological services into their business models; and  
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26           WHEREAS, concerns were raised in testimony regarding  
27 technical issues that needed to be resolved in order for S.B.  
28 No. 1305 to pass, including the application of new irrigation  
29 and agricultural technologies; now, therefore,  
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1 BE IT RESOLVED by the Senate of the Twenty-seventh  
2 Legislature of the State of Hawaii, Regular Session of 2013, the  
3 House of Representatives concurring, that the University of  
4 Hawaii College of Tropical Agriculture and Human Resources, with  
5 the assistance of the Department of Agriculture and the  
6 Commission on Water Resource Management, is requested to conduct  
7 a study regarding a permeable surfaces tax credit; and  
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9 BE IT FURTHER RESOLVED that the study address, at minimum:  
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- 11 (1) How to calculate and compute the volume of water that  
12 percolates to recharge groundwater aquifers,  
13 including potential usable model recommendations that  
14 yield a true or accurate accounting of net water  
15 infiltration;  
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- 17 (2) Whether urban groundwater percolation should be  
18 included in a tax credit or another method of  
19 compensation, and how to calculate groundwater  
20 percolation in urban areas;  
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- 22 (3) How to collect measurements of rainfall, considering  
23 microclimates across Hawaii;  
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- 25 (4) Identifying the source of recharge water, such as  
26 rainfall inputs or return irrigation water;  
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- 28 (5) How to define "qualifying property" for purposes of a  
29 permeable surfaces tax credit or another method of  
30 compensation such as a grant; and  
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- 32 (6) Any other issues relevant to administering a permeable  
33 surfaces tax credit or other method of compensation,  
34 with the input of the Department of Taxation; and  
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36 BE IT FURTHER RESOLVED that the University of Hawaii  
37 College of Tropical Agriculture and Human Resources is requested  
38 to report to the Legislature its findings and recommendations,  
39 including any proposed legislation, no later than twenty days  
40 prior to the convening of the Regular Session of 2014; and  
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42 BE IT FURTHER RESOLVED that certified copies of this  
43 Concurrent Resolution be transmitted to the Director of the  
44 University of Hawaii College of Tropical Agriculture and Human



1 Resources; Chairperson of the Board of Agriculture; Chairperson  
2 of the Board of Land and Natural Resources; and Director of  
3 Taxation.  
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