
SENATE 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

7
8 WHEREAS, the amount of recharge to groundwater aquifers
9 must be increased to meet rising water demands; and

10
11 WHEREAS, groundwater recharge can only occur if water can
12 penetrate the land surface; and

13
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

20
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

25
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,

30
31 BE IT RESOLVED by the Senate of the Twenty-seventh
32 Legislature of the State of Hawaii, Regular Session of 2013,
33 that the University of Hawaii College of Tropical Agriculture



1 and Human Resources, with the assistance of the Department of
2 Agriculture and the Commission on Water Resource Management, is
3 requested to conduct a study regarding a permeable surfaces tax
4 credit; and

5
6 BE IT FURTHER RESOLVED that the study address, at minimum:

- 7
8 (1) How to calculate and compute the volume of water that
9 percolates to recharge groundwater aquifers,
10 including potential usable model recommendations that
11 yield a true or accurate accounting of net water
12 infiltration;
13
14 (2) Whether urban groundwater percolation should be
15 included in a tax credit or another method of
16 compensation, and how to calculate groundwater
17 percolation in urban areas;
18
19 (3) How to collect measurements of rainfall, considering
20 microclimates across Hawaii;
21
22 (4) Identifying the source of recharge water, such as
23 rainfall inputs or return irrigation water;
24
25 (5) How to define "qualifying property" for purposes of a
26 permeable surfaces tax credit or another method of
27 compensation such as a grant; and
28
29 (6) Any other issues relevant to administering a permeable
30 surfaces tax credit or other method of compensation,
31 with the input of the Department of Taxation; and
32

33 BE IT FURTHER RESOLVED that the University of Hawaii
34 College of Tropical Agriculture and Human Resources is requested
35 to report to the Legislature its findings and recommendations,
36 including any proposed legislation, no later than twenty days
37 prior to the convening of the Regular Session of 2014; and
38

39 BE IT FURTHER RESOLVED that certified copies of this
40 Resolution be transmitted to the Director of the University of
41 Hawaii College of Tropical Agriculture and Human Resources;
42 Chairperson of the Board of Agriculture; Chairperson of the
43 Board of Land and Natural Resources; and Director of Taxation.
44

