

STAND. COM. REP. NO.

2644

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2195

S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2195, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Taxation, in collaboration with the Department of Business, Economic Development, and Tourism, to submit a joint annual report to the Legislature that relates to renewable energy tax credits.

Specifically, this measure:

- (1) Requires that the report include the number of renewable energy technology properties that have qualified for a renewable tax energy credit, the total cost to the State of renewable energy tax credits, and the estimated economic benefit of renewable energy tax credits; and
- (2) Appropriates moneys to the Department of Taxation and the Department of Business, Economic Development, and Tourism for the costs to prepare and submit the joint report to the Legislature relating to renewable energy tax credits.

Your Committee received written comments in support of this measure from Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, and two individuals. Written comments on this

SB2195 SD2 SSCR LRB 14-1505.doc



measure were submitted by the Department of Taxation and the Department of Business, Economic Development, and Tourism.

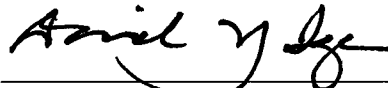
Your Committee finds that in order to effectively evaluate the fiscal impact of tax credits, the Legislature needs a detailed factual report from the Department of Taxation and the Department of Business, Economic Development, and Tourism on the fiscal impact of renewable energy tax credits.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums;
- (2) Requiring the Department of Taxation to submit any proposed legislation to amend this Act to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015;
- (3) Changing the effective date to July 1, 2017, to provide the Department of Taxation with adequate time to implement this measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2195, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2195, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

|                                                                                                                                                                                                                  |                                        |                         |          |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------|----------|----------|
| Bill / Resolution No.:*<br><b>SB 2195, SD1</b>                                                                                                                                                                   | Committee Referral:<br><b>ENE, WAM</b> | Date:<br><b>2-19-14</b> |          |          |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____                                                                |                                        |                         |          |          |
| The Recommendation is:<br><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  |
| IGE, David Y. (C)                                                                                                                                                                                                | ✓                                      |                         |          |          |
| KIDANI, Michelle N. (VC)                                                                                                                                                                                         | ✓                                      |                         |          |          |
| CHUN OAKLAND, Suzanne                                                                                                                                                                                            | ✓                                      |                         |          |          |
| DELA CRUZ, Donovan M.                                                                                                                                                                                            | ✓                                      |                         |          |          |
| ENGLISH, J. Kalani                                                                                                                                                                                               |                                        |                         |          | ✓        |
| ESPERO, Will                                                                                                                                                                                                     | ✓                                      |                         |          |          |
| KAHELE, Gilbert                                                                                                                                                                                                  | ✓                                      |                         |          |          |
| KEITH-AGARAN, Gilbert S.C.                                                                                                                                                                                       |                                        |                         |          | ✓        |
| KOUCHI, Ronald D.                                                                                                                                                                                                |                                        |                         |          | ✓        |
| RUDERMAN, Russell E.                                                                                                                                                                                             | ✓                                      |                         |          |          |
| THIELEN, Laura H.                                                                                                                                                                                                | ✓                                      |                         |          |          |
| TOKUDA, Jill N.                                                                                                                                                                                                  | ✓                                      |                         |          |          |
| SLOM, Sam                                                                                                                                                                                                        | ✓                                      |                         |          |          |
|                                                                                                                                                                                                                  |                                        |                         |          |          |
|                                                                                                                                                                                                                  |                                        |                         |          |          |
|                                                                                                                                                                                                                  |                                        |                         |          |          |
|                                                                                                                                                                                                                  |                                        |                         |          |          |
|                                                                                                                                                                                                                  | <b>10</b>                              | <b>0</b>                | <b>0</b> | <b>3</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted                                                                                                                 |                                        |                         |          |          |
| Chair's or Designee's Signature:<br><div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>                                                                             |                                        |                         |          |          |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy                                                     |                                        |                         |          |          |

\*Only one measure per Record of Votes