

STAND. COM. REP. NO.

1166

Honolulu, Hawaii

APR 0 1 2013

RE: S.R. No. 64  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam:

Your Committees on Agriculture and Water and Land, to which was referred S.R. No. 64 entitled:

"SENATE RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE, WITH THE ASSISTANCE OF THE COMMISSION ON WATER RESOURCE MANAGEMENT, TO CONDUCT A STUDY REGARDING A PERMEABLE SURFACES TAX CREDIT,"

beg leave to report as follows:

The purpose and intent of this measure is to urge the Department of Agriculture, with the assistance of the Commission on Water Resource Management, to conduct a comprehensive study regarding the feasibility of a permeable surfaces tax credit and reports its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014.

Your Committees received testimony in support of this measure from five individuals. Your Committees received comments on this measure from the Department of Taxation.

Your Committees find that groundwater aquifers require a sufficient amount of recharge to meet the increasing demands for water. Agricultural operations that maintain a permeable land surface, allowing water to percolate down to groundwater aquifers, increase groundwater storage and the supply of water. Businesses and farmers that provide this public service should be rewarded for this service to promote the further use of this ecological practice.

2013-2168 SR SSCR SMA.doc



Your Committees have amended this measure by:

- (1) Requesting that the University of Hawaii College of Tropical Agriculture and Human Resources, rather than the Department of Agriculture alone, spearhead the permeable surfaces tax credit study and submit a report to the Legislature;
- (2) Amending the items to be addressed by the study to also include consideration of methods of compensation other than a tax credit that may best incentivize agricultural operations to maintain permeable surfaces;
- (3) Amending the title accordingly; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 64, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 64, S.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committees on Agriculture and  
Water and Land,


  
MALAMA SOLOMON, Chair

  
CLARENCE K. NISHIHARA, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Agriculture**  
**AGL**

Bill / Resolution No.:*	Committee Referral:	Date:
SR 64	AGL/WTL, WAM	3/28/13
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<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	
NISHIHARA, Clarence K. (C)	✓	
KOUCHI, Ronald D. (VC)	✓	
DELA CRUZ, Donovan M.	✓	
ENGLISH, J. Kalani		✓
THIELEN, Laura H.	✓	
WAKAI, Glenn	✓	
SLOM, Sam		✓
<b>TOTAL</b>	<b>5</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy		

\*Only one measure per Record of Votes

