STAND. COM. REP. NO. 959 -16

March 4 , 2016

RE: H.B. No. 2042 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2042, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO WATER CONSERVATION,"

begs leave to report as follows:

The purpose of this measure is to encourage water conservation by creating a refundable residential water conservation system cost tax credit for newly constructed systems beginning January 1, 2017.

The Hawaii Community Foundation provided testimony in support of the measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the tax credit percentage to an unspecified amount;
- (2) Changing credit cap and aggregate credit to unspecified amounts;
- (3) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (4) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2042, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2042, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature

HSCR 959-16

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB2042 HD1	Committee Referral: EEP, FIN Date: 03/03/16			
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. CACHOLA, Romy M.				
4. CULLEN, Ty J.K.				
5. DeCOITE, Lynn				
6. JOHANSON, Aaron Ling				
7. JORDAN, Jo				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LoPRESTI, Matthew S.				
11. LOWEN, Nicole E.	/_			
12. ONISHI, Richard H.K.				
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.				
15. POUHA, Feki	. /			
16. WARD, Gene	/			
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TOTAL (16)	(6			
The recommendation is: Adopted 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				