

Honolulu, Hawaii
February 19, 2016

RE: H.B. No. 2517
H.D. 1

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

Sir:

Your Committees on Energy & Environmental Protection and Health, to which was referred H.B. No. 2517 entitled:

"A BILL FOR AN ACT RELATING TO CESSPOOL TAX CREDITS,"

beg leave to report as follows:

The purpose of this measure is to protect public health, as well as Hawaii's environment, by adding cesspools within 200 feet of an existing sewer system as certified by the Department of Health as cesspools that qualify for the cesspool upgrade, conversion, or connection income tax credit.

The Department of Taxation and Department of Health commented on this measure.

Your Committees have amended this measure by:


- (1) Assigning the responsibility of certifying the distance of 200 feet between the cesspool and an existing sewer system to the applicable county authority;
- (2) Clarifying that a maximum of one cesspool upgrade, conversion, or connection income tax credit is allowed per tax map key in the case of a large capacity cesspool;
- (3) Specifying that the tax credit is applicable to taxable years beginning after December 31, 2015; and



- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2517, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2517, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Health,



DELLA AU BELATTI, Chair



CHRIS LEE, Chair



