

Honolulu, Hawaii

FEB 15 2017

RE: S.B. No. 472

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Housing and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 472 entitled:

"A BILL FOR AN ACT RELATING TO FIRE PROTECTION,"

beg leave to report as follows:

The purpose and intent of this measure is to establish a tax credit for owner/occupants of one- or two-family dwelling units who install an automatic fire sprinkler system.

Your Committees received testimony in support of this measure from the Hawaii State Fire Council, Kauai Fire Department, and one individual. Your Committees received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Building Industry Association of Hawaii.

Your Committees find that automatic fire sprinkler systems are effective at reducing loss of life, injury, and property damage caused by fire. Despite their effectiveness, few one- or two-family dwellings in Hawaii have automatic fire sprinkler systems. Your Committees further find that one reason for the lack of sprinkler systems in residential dwellings is cost. This measure will provide a tax credit to mitigate the cost involved in installing automatic fire sprinkler systems.

Your Committees additionally find that this measure is appropriate because the installation of automatic fire sprinkler systems in residential units is not mandatory at this time.



Your Committees have amended this measure by:


- (1) Inserting language clarifying that the tax credit may be claimed only for automatic fire sprinklers that are installed and placed in service in one- or two-family dwelling units;
- (2) Inserting language clarifying that only the owner/occupant of a dwelling unit may claim the tax credit;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; 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 Housing and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 472, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 472, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Housing and
Commerce, Consumer Protection,
and Health,



ROSALYN H. BAKER, Chair



WILL ESPERO, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* <i>SB 472</i>	Committee Referral: <i>HOU/CPH, WAM</i>	Date: <i>2/9/17</i>		
<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
ESPERO, Will (C)	✓			
HARIMOTO, Breene (VC)	✓			
KAHELE, Kaiali'i				✓
KEITH-AGARAN, Gilbert S.C.	✓			
NISHIHARA, Clarence K.				✓
TOTAL	<i>3</i>			<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Breene Harimoto</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 472	Committee Referral: HOU/CPH, WAM	Date: 2/10/17		
<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
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
KIDANI, Michelle N.				/
RUDERMAN, Russell E.	/			
TOTAL	5			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K. Nishihara</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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