

Honolulu, Hawaii

FEB 05 , 2020

RE: H.B. No. 1757  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 1757 entitled:

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

begs leave to report as follows:

The purpose of this measure is to provide an incentive to  
owner-occupants to install an automatic fire sprinkler system in  
any new one- or two-family dwelling of a building that is used  
only for residential purposes, by establishing a tax credit for a  
percentage of the actual costs of the system up to a certain  
amount.

Your Committee received testimony in support of this measure  
from the State Fire Council, Honolulu Fire Department, Hawaii Fire  
Department, Kauai Fire Department, and Maui Fire Department. Your  
Committee received comments on this measure from the Department of  
Taxation, Building Industry Association of Hawaii, Hawaii Council  
for Association of Apartment Owners, and Tax Foundation of Hawaii.

Your Committee finds that automatic fire sprinkler systems  
provide valuable protection to persons and their homes. According  
to the National Institute of Standards and Technology, fires in  
residences may become deadly in as little as three minutes.



Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised as to the tax credit's scope and implementation. Specifically, the Department of Taxation requested additional time to implement the tax credit properly. Additionally, testimony received by your Committee expressed the desire that the tax credit be expanded to high-rise residential buildings, not just one- or two-family dwellings. Should your Committee on Finance consider this measure, your Committee requests that your Committee on Finance give consideration to these concerns.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1757, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1757, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROY M. TAKUMI, Chair



