

STAND. COM. REP. NO. 914

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 1237
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1237, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce the cap amounts of the renewable energy technologies income tax credit.

Your Committee received written comments in support of this measure from one individual.

Your Committee received written comments in opposition to this measure from the Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; Sunaru, Inc., dba Solar Help Hawaii; Photonworks Engineering, LLP; Affordable Solar Contracting; Solar Services of Hawaii; Green Power Projects; Hawaii PV Coalition; Hawaii Solar Energy Association; Tesla; Blue Planet Foundation; Inter-Island Solar Supply; PV TECH; and nine individuals.

Your Committee received written comments on this measure from the Department of Taxation, Hawaii Green Infrastructure Authority, Hawaii State Energy Office, Tax Foundation of Hawaii, Hawaiian Electric, Kauai Island Utility Cooperative, and Ulupono Initiative.



Your Committee finds that this measure would amend the renewable energy technologies income tax credit by reducing the applicable cap amounts allowed to qualified taxpayers by fifty percent.

Your Committee has amended this measure by:

- (1) Providing that, for commercial property used for eligible community-based renewable energy projects, the cap amount shall be \$500,000 per system for:
 - (A) Solar energy systems for which the primary purpose is not to heat water for household use; and
 - (B) Wind-powered energy systems;
- (2) Clarifying that the measure shall apply to taxable years beginning after December 31, 2021; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1237, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1237, S.D. 2.

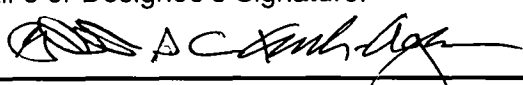
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>SB 1237, SD 1</i>	<i>EET, WAM</i>	<i>3/4/21</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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	<i>11</i>			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes