

STAND. COM. REP. NO. 2881

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 2752  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2752, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ABANDONED WELLS,"

begs leave to report as follows:

The purpose and intent of this measure is to protect state ground water resources.

More specifically, this measure:

- (1) Establishes an income tax credit for taxpayers who are required to seal abandoned wells on their real property;
- (2) Requires sellers of real property to disclose the existence of wells on the property;
- (3) Requires an owner or prior owner of an abandoned well to repair or seal the well at their own expense; and
- (4) Appropriates funds for three full-time equivalent ground surveyor positions in the Commission on Water Resource Management.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

SB2752 SD2 SSCR LRB 22-1146.doc



Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS.

Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that wells in a state of disuse or disrepair can become conduits for contaminants to be introduced into ground water. Abandoned wells can also become receptacles for the disposal of waste, potentially resulting in additional contamination and associated risk to public health and the environment. Your Committee further finds that the Commission on Water Resource Management has developed minimum standards relating to water wells, including their sealing and abandonment, in order to protect the quality and quantity of the State's ground water resources.

Your Committee has amended this measure by:

- (1) Adding a definition for the term "well";
- (2) Amending the appropriation by removing the language referring to ground surveyor positions and replacing it with language to fund the following positions in the Commission on Water Resource Management:
  - (A) Either:
    - (i) Two full-time equivalent (2.0 FTE) engineering technician positions; or
    - (ii) Two full-time equivalent (2.0 FTE) environmental health specialist positions; and
  - (B) One full-time equivalent (1.0 FTE) clerical position; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

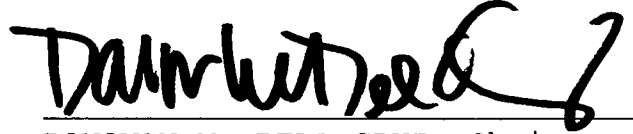
Your Committee notes the recommendation of your Committee on Water and Land that, should this measure continue to move through



the Legislative process, the amount of the income tax credit be set at twenty-five percent of the qualified compliance costs incurred by the taxpayer, up to a maximum of \$20,000.

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. 2752, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2752, S.D. 2.

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

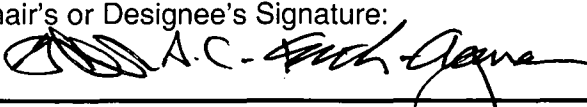


DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>SB 2752, SD1</b>	Committee Referral: <b>WTL, WAM</b>	Date: <b>2/22/22</b>		
<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			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MISALUCHA, Bennette E.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt			X	
<b>TOTAL</b>	<b>10</b>		<b>1</b>	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original                                    Yellow                                    Pink                                    Goldenrod File with Committee Report            Clerk's Office                            Drafting Agency                        Committee File Copy				

\*Only one measure per Record of Votes