

Honolulu, Hawaii

FEB 14, 2024

RE: H.B. No. 1613
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1613 entitled:

"A BILL FOR AN ACT RELATING TO WATER CATCHMENT,"

begs leave to report as follows:

The purpose of this measure is to establish a refundable income tax credit for homeowners who install, place into service, or maintain a water catchment system on residential properties.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that water catchment systems can be cost-effective, reliable, and safe fresh water sources that reduce consumer demand on existing fresh water. Your Committee notes the testimony provided by the Department of Taxation to aid in the administration of the tax credit proposed in this measure.

Your Committee has amended this measure by:

- (1) Making the tax credit nonrefundable;



- (2) Removing maintenance of a water catchment system as a qualified cost for tax credit eligibility;
- (3) Clarifying that the tax credit shall be for the qualified costs incurred for installing and placing into service a water catchment system up to \$250;
- (4) Including an aggregate cap for credits allowed in any year to be an unspecified amount;
- (5) Specifying that only one tax credit may be claimed for each water catchment system installed and placed into service;
- (6) Inserting a definition for "water catchment system";
- (7) Making the tax credit not applicable to taxable years beginning after December 31, 2029;
- (8) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1613, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1613, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Water & Land,


LINDA ICHIYAMA, Chair



Record of Votes of the Committee on Water & Land

Bill/Resolution No.: HB1613	Committee Referral: WAL, FIN	Date: 02/08/24
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. ICHIYAMA, Linda (C)	✓			
2. POEPOE, Mahina (VC)	✓			
3. CHUN, Cory M.	✓			
4. GANADEN, Sonny				✓
5. HASHEM, Mark J.	✓			
6. MIZUNO, May Besario	✓			
7. MORIKAWA, Dee	✓			
8. TAKAYAMA, Gregg	✓			
9. SOUZA, Kanani	✓			
TOTAL (9)	8			1

The recommendation is: Adopted Not Adopted
 If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____