

STAND. COM. REP. NO.

2367

Honolulu, Hawaii

FEB 14 2024

RE: S.B. No. 2797
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 2797 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to create a refundable water catchment income tax credit for a homeowner who installs, places in service, or maintains a water catchment system meeting certain requirements on residential property in the State owned by the homeowner.

Your Committee received testimony in support of this measure from six individuals.

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

Your Committee finds that some communities in Hawaii lack access to municipal water infrastructure, leaving residents to rely on water catchment systems that are filled through water subscription services to meet their basic needs. When there is insufficient rainfall, the cost of water delivery services can be significant. Providing a refundable income tax credit for homeowners who install, place into service, or maintain a water catchment system on residential properties could offset certain



economic hardships and can help utilize natural resources to decrease strain on main water systems.

Your Committee has amended this measure by:

- (1) Inserting language that limits one tax credit per each water catchment system installed within a five-year period;
- (2) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2797, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2797, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* SB 2797	Committee Referral: HHS, WAM	Date: 2/7/24		
<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
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
KEOHOKALOOLE, Jarrett				✓
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton	✓			
TOTAL	4			1
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