

STAND. COM. REP. NO.

508

Honolulu, Hawaii

FEB 16 , 2023

RE: H.B. No. 1447

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1447 entitled:

"A BILL FOR AN ACT RELATING TO NATIVE PLANT SPECIES,"

begs leave to report as follows:

The purpose of this measure is to encourage private property owners to use native plants in preservation efforts on their land by establishing the Native Plant Preservation Tax Credit as a refundable income tax credit.

Your Committee received testimony in support of this measure from the Hawai'i Forest Industry Association and six individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that offering an income tax credit to taxpayers who partake in preservation efforts on their properties by using native species is an effective incentive to good stewardship of the land.

Your Committee has amended this measure by:

- (1) Changing the tax credit to a nonrefundable tax credit;

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- (2) Setting an aggregate cap of \$2,000,000 per year for the tax credit;
- (3) Repealing the tax credit on June 30, 2028;
- (4) Adding appropriations of unspecified sums and an unspecified number of full-time equivalent positions for the Department of Land and Natural Resources to carry out its responsibilities regarding the tax credit;
- (5) Changing its effective date to June 30, 3000, to encourage further discussion; and
- (6) 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. 1447, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1447, 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



