STAND. COM. REP. NO. 454-24

Honolulu, Hawaii

FEB 15 , 2024

RE: H.B. No. 1918

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 Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1918, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Extend the sunset date for the historic preservation tax credit to December 31, 2030; and
- (2) Incrementally increase the cap on the total tax credits.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Historic Hawai'i Foundation; and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the historic preservation tax credit is used to rehabilitate historic homes to meet contemporary standards and has helped to underwrite the rehabilitation and adaptive reuse of commercial properties. The historic preservation tax credit has kept residential and commercial properties in use while preserving the historic character and vitality of the properties. Your Committee believes that

extending and increasing the tax credit will enhance community character, provide affordable housing, and encourage economic development in older neighborhoods and commercial districts.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider the following amounts for the maximum aggregate amounts for future taxable years:

- (1) For the 2025 taxable year: \$1,500,000;
- (2) For the 2026 taxable year: \$2,000,000;
- (3) For the 2027 taxable year: \$2,500,000;
- (4) For the 2028 taxable year: \$3,000,000;
- (5) For the 2029 taxable year: \$3,500,000; and
- (6) For the 2030 taxable year: \$4,000,000.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1918, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Judiciary & Hawaiian Affairs,

DAVID A. TARNAS, Chair

## State of Hawaii House of Representatives The Thirty-second Legislature HSCR 454-24

## Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: HB 1918, HD1 WAL	Referral: THA, FIA	Date	2-9-20	-
☐ 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)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)				
2. TAKAYAMA, Gregg (VC)				
3. EVSLIN, Luke A.				
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4. GANADEN, Sonny		**************************************		Talish Million et al. militari
5. HOLT, Daniel	AV PRANTIS DE LA COMPANIA DEL COMPANIA DEL COMPANIA DE LA COMPANIA			
6. ICHIYAMA, Linda				
7. ILAGAN, Greggor				
8. KONG, Sam Satoru			·	in.
9. MIYAKE, Tyson K.			22-24-36 (A)	
10. SOUZA, Kanani				
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TOTAL (10)	7	-	_	3
The recommendation is: ✓ Adopted □ Not Adopted				
If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
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