

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1289
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Economic Development and Taxation, to which was referred H.B. No. 1289, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Clarify that all energy technology systems must be installed and placed in service in the State of Hawaii to obtain the State's income tax energy tax credit; and
- (2) Amend tax credits applicable to shareholder pro rata shares in S corporations.

Testimony in support of this measure was received from the Department of Taxation, Hawaii Energy Policy Forum, and Hawaii Renewable Energy Alliance. The Tax Foundation of Hawaii submitted comments.

Your Committee received a fiscal impact statement from the Department of Taxation that the revenue gain would be approximately \$29,000.

Your Committee has amended this measure by changing the effective date from upon approval to July 1, 2007, for systems installed after June 30, 2007.



As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1289, H.D. 2, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as H.B. No. 1289, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Taxation,


CAROL FUKUNAGA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
 Committee on Economic Development and Taxation
 EDT

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1289 HD2SD1	ENE, EDT, WAM	3/22/07		
<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
FUKUNAGA, Carol (C)	✓			
ESPERO, Will (VC)	✓			
ENGLISH, J. Kalani	✓			
IGE, David Y.	✓			
SLOM, Sam	✓			
TOTAL	5			
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

*Only one measure per Record of Votes