STAND. COM. REP. NO. 409

Honolulu, Hawaii

February 20 , 201

RE: H.B. No. 212 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 212 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide an incentive for the building of sustainable energy systems in Hawaii by establishing a nonrefundable income tax credit for taxpayers who install and place in service a battery backup system for the storage of solar-generated energy.

Blue Planet Foundation, Hawaii Solar Energy Association, Maui Solar Project, Hawaii PV Coalition, Life of the Land, and two concerned individuals supported this measure. The Department of Taxation and Hawaiian Electric Company supported the measure's intent. The Department of Business, Economic Development, and Tourism; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Tax Foundation of Hawaii; the Alliance for Solar Choice; and one individual submitted comments.

Your Committee has amended this measure by:

(1) Specifying that a battery backup system or system shall consist of batteries with a collective capacity of no more than five kilowatt hours per property; and

(2) Specifying that the new tax credit shall apply to taxable years beginning after December 31, 2015.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 212, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 212, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Energy & Environmental Protection,

CHRIS LEE, Chair

## State of Hawaii House of Representatives The Twenty-eighth Legislature

HSCR 409

## Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 212	Committee Referral:	Date	2/12/	15
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)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)				
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2. LOWEN, Nicole E. (VC)				
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3. CULLEN, Ty J.K.				
The state of the s				
4. EVANS, Cindy				
	N 484			
5. ING, Kaniela				
6 NUSTIMOTO South V				
6. NISHIMOTO, Scott Y.				
7. SAY, Calvin K.Y.	3,3,30		•	· · · · · · · · · · · · · · · · · · ·
7. SAI, Cavill ICI.				<u></u>
8. YAMANE, Ryan I.			<u> </u>	
9. POUHA, Feki			· · · · · · · · · · · · · · · · · · ·	
10. THIELEN, Cynthia				
			, <b>.</b>	
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TOTAL (10)	- (0	0	0	0
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				