

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii
Sir:

Your Committee on Housing, to which was referred H.B. No. 799 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to incentivize owners of non-condominium residences to install wind resistive devices by providing a tax credit equal to thirty-five percent of the purchase and installation costs of the wind resistive devices.

The Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and an individual submitted testimony in support of this measure. The Department of Taxation, Department of Commerce and Consumer Affairs, and Tax Foundation of Hawaii offered comments on this measure.

The Department of Commerce and Consumer Affairs submitted testimony that most homeowner insurance companies with hurricane programs already offer premium credits for homes retrofitted to include wind resistive devices, and that typical credits are approximately ten percent for roof-to-wall connections.

Your Committee has amended this measure by:

- (1) Adding a definition of "cost incurred" to avoid taxpayer confusion and improper claims;
- (2) Changing the amount of the tax credit to an unspecified amount;
- (3) Changing its effective date to January 1, 2050, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 799, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Housing,

TOM BROWER, Chair