

Honolulu, Hawaii
February 12, 2014

RE: H.B. No. 1929
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1929 entitled:

"A BILL FOR AN ACT RELATING TO FARMERS MARKETS,"

begs leave to report as follows:

The purpose of this measure is to require the labeling of out-of-state products sold at farmers' markets.

The Hawaii Farm Bureau Federation and two individuals submitted testimony in support of the measure. The Department of Agriculture submitted comments on the measure.

Your Committee finds that the policies of the Hawaii Farm Bureau Federation prohibit the sale of out-of-state products at farmers' markets. Your Committee also finds that exempting the sale of produce at farmers' markets from the general excise tax will help to facilitate the purchase of fresh produce.

In light of these findings, your Committee has amended this measure by:

- (1) Removing language that requires the labeling of out-of-state products sold at farmers' markets;
- (2) Defining the term "farmers' market" to mean an outdoor market where independent business operators sell agricultural products grown in Hawaii and value-added



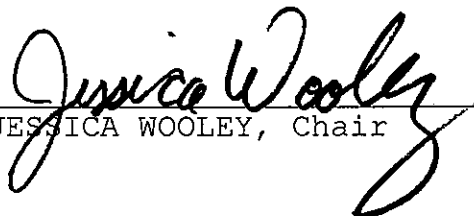
products that were produced using agricultural products grown in Hawaii; and

- (3) Establishing a general excise tax exemption for produce that is sold at farmers' markets for human consumption within the State.

Your Committee respectfully requests that subsequent Committees to which this measure is referred consider amending the definition of "farmers' market" to integrate the language used in the definitions of the terms "Hawaii input" and "Hawaii products" in section 103D-1001, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1929, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1929, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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



JESSICA WOOLEY, Chair



