

Honolulu, Hawaii  
February 12, 2016

RE: H.B. No. 1844  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Ocean, Marine Resources, & Hawaiian  
Affairs, to which was referred H.B. No. 1844 entitled:

"A BILL FOR AN ACT RELATING TO KALO,"

begs leave to report as follows:

The purpose of this measure is to recognize the centrality of  
kalo and kalo production to Hawaii's culture and agricultural  
economy by:

- (1) Exempting kalo farm cooperative marketing sites from  
zoning and land use restrictions;
- (2) Making protection of kalo farming as a cultural activity  
an agricultural planning objective of the State;
- (3) Establishing a limited income tax exemption for income  
from kalo farming, kalo products, and related  
activities; and
- (4) Exempting amounts received for kalo products, kalo  
farming, and activities directly related to kalo from  
the general excise tax.

The Aha Moku Advisory Committee and several individuals  
submitted testimony in support of this measure. The Department of  
Taxation and Department of Agriculture submitted comments.

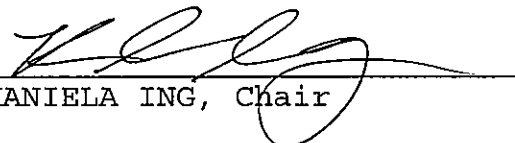


Your Committee has amended this measure by:

- (1) Amending the income tax and general excise tax exemptions to clarify that they are meant to apply to kalo producers and manufacturers of kalo products;
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency; and
- (3) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1844, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1844, H.D. 1, and be referred to your Committee on Water & Land.

Respectfully submitted on  
behalf of the members of the  
Committee on Ocean, Marine  
Resources, & Hawaiian Affairs,

  
KANIELA ING, Chair



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HCR 266-16

**Record of Votes of the Committee on Ocean, Marine Resources, & Hawaiian Affairs**

Bill/Resolution No.: <b>HB 1844</b>	Committee Referral: <b>OMH, WAL, FIN</b>	Date: <b>2/13/16</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
OMH Members	Ayes	Ayes (WR)	Nays	Excused
1. ING, Kaniela (C)	✓			
2. LOWEN, Nicole E. (VC)	✓			
3. CULLEN, Ty J.K.	✓			
4. EVANS, Cindy	✓			
5. LEE, Chris	✓			
6. NISHIMOTO, Scott Y.	✓			
7. SAY, Calvin K.Y.	✓			
8. YAMANE, Ryan I.	✓			
9. POUHA, Feki	✓			
10. THIELEN, Cynthia	✓			
<b>TOTAL (10)</b>	<b>10</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee            Duplicate (Yellow) – Chief Clerk's Office            Duplicate (Pink) – HMSO				