

STAND. COM. REP. NO.

374

Honolulu, Hawaii

February 15, 2017

RE: H.B. No. 1522  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1522 entitled:

"A BILL FOR AN ACT RELATING TO SUSTAINABILITY,"

begs leave to report as follows:

The purpose of this measure is to stimulate private investment in sustainable diversified agricultural operations by establishing a diversified farming business investment tax credit.

Two concerned individuals supported this measure. The Department of Taxation, Department of Agriculture, and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 31, 2150, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency and style.

Should the Committee on Finance deliberate this measure further, your Committee on Agriculture respectfully requests that it consider the concerns raised by the Tax Foundation of Hawaii, which notes that the definition of "sustainable agriculture" found in this measure is largely subjective, and that if the credit described in this measure is enacted, the enforcing agency may

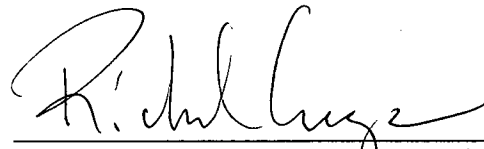
HB1522 HD1 HSCR AGR HMS 2017-2201



need more stringent standards to differentiate between qualifying farms and non-qualifying farms.

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. 1522, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1522, H.D. 1, and be referred to your Committee on Finance.

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



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RICHARD P. CREAGAN, Chair



