

January 29, 2018

Committee on Agriculture and Environment  
Senator Mike Gabbard, Chair  
Senator Gil Riviere, Vice Chair  
State of Hawaii Legislature  
Honolulu, HI 96813

Re: Testimony in Support of Senate Bill No. 2074 Relating to Agriculture

Dear Chair Gabbard, Vice Chair Riviere and Committee members:

On behalf of the Board of Directors of the Kekaha Agriculture Association, this is to provide testimony in support of the above-referenced Senate Bill No. 2074. As you may be aware, KAA members are actively engaged in agriculture and aquaculture enterprises in West Kauai and therefore are familiar with and interested in promoting farming activities in the region that benefit Kauai and the State.

The KAA supports SB 2074 because it will benefit agriculture on Kauai and is consistent with the policy in favor of designation of farmland as Important Agricultural Lands.

Extending the time period for agricultural tax credits by passing SB 2074 will provide a number of benefits consistent with advancing State agricultural policy. Importantly, the agricultural tax credit may reduce the overall cost of farming, consistent with the IAL statute which authorizes tax credits to offset operational costs of farming.

The credit may support efforts to improve irrigation infrastructure by upgrading ditch irrigation systems, which will promote efficient use of water resources. Similarly, renewable energy may benefit from this agricultural tax credit, which can support the upgrading or replacement of aging hydropower plants and ensure the continued availability of clean energy for farming.

Accordingly, the KAA wishes to express its **strong support** for the passage of SB 2074.

We appreciate the opportunity to provide this testimony.

Sincerely,

Joshua Uyehara  
President of the Board of Directors