

STAND. COM. REP. NO.

1236

Honolulu, Hawaii

MAR 18 2019

RE: H.B. No. 616
H.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred H.B. No. 616, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt amounts received by a producer of locally grown produce and locally raised livestock food products from the general excise tax.

Your Committee received testimony in support of this measure from the Department of Agriculture, Ulupono Initiative, Hawaii Cattlemen's Council, Hawaii Food Industry Association, Honolulu County Republican Party, Hawai'i Farm Bureau, Maui Chamber of Commerce, and three individuals. Your Committee received comments on this measure from the Department of Taxation, Department of the Attorney General, and Tax Foundation of Hawaii.

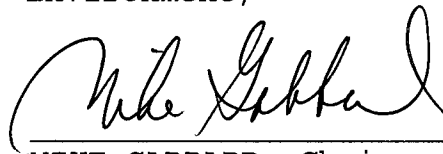
Your Committee finds that this measure offers a tax exemption for farmers and ranchers of local produce and livestock for consumption within the State. Your Committee further finds that this measure would support food producers by making local products more competitive and less costly to produce. Additionally, the cost savings for producers can have a trickle-down effect and reduce the cost of locally produced food products for consumers.



Your Committee also finds that this measure supports the State's goals of food security and self-sufficiency with direct benefits to farmers and ranchers who locally grow agricultural products. Your Committee believes that this measure will help produce more local food and support an economically-robust, homegrown agricultural industry that can benefit the community with fresh, healthy food.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 616, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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

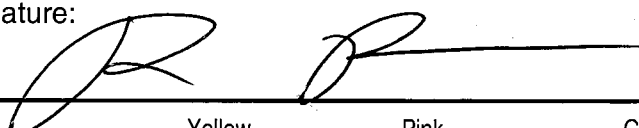


MIKE GABBARD, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

| | | | | |
|--|---------------------|-----------------|---------------------|---------|
| Bill / Resolution No.:* | Committee Referral: | Date: | | |
| HB 616, HD1 | AEN, WAM | 03.13.2019 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: | | | | |
| <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| GABBARD, Mike (C) | X | | | |
| RUDERMAN, Russell E. (VC) | X | | | |
| RHOADS, Karl | X | | | |
| THIELEN, Laura H. | X | | | |
| FEVELLA, Kurt | | | | X |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | 4 | 0 | 0 | 1 |
| Recommendation: | | | | |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
|  | | | | |
| Distribution: | | | | |
| Original | Yellow | Pink | Goldenrod | |
| File with Committee Report | Clerk's Office | Drafting Agency | Committee File Copy | |

*Only one measure per Record of Votes