

STAND. COM. REP. NO. 47

Honolulu, Hawaii

FEB 06 2019

RE: S.B. No. 760
S.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 S.B. No. 760 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the important agricultural land qualified agricultural cost tax credit to include as "qualified agricultural costs" measures to improve, enhance, and restore former plantation lands for agricultural use.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Farm Bureau, Hawaii Agriculture Research Center, and three individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Agriculture, and Office of Planning.

Your Committee finds that Act 183, Session Laws of Hawaii 2005, provided for the designation of important agricultural lands and directed the Department of Agriculture to develop a program of incentives to promote agricultural viability. The incentives program developed for important agricultural lands included a tax credit for "qualified agricultural costs" such as costs incurred for feasibility studies, plans, and design of facilities and infrastructure, equipment for agricultural purposes, and regulatory processing and consulting services. However, this

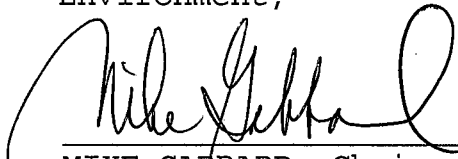


incentive program did not include any incentive for the conservation and protection of agricultural lands. This measure would expand the eligible costs for the important agricultural land qualified agricultural cost tax credit to include expenditures to improve, enhance, and restore former plantation lands used primarily for agricultural purposes.

Your Committee has amended this measure by specifying that the important agricultural land qualified agricultural cost tax credit shall apply only to former plantation lands that were used solely for agricultural uses and activities.

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 S.B. No. 760, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 760, S.D. 1, 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.:* SB760	Committee Referral: AEN, WAM	Date: 02.01.2019		
<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 type="checkbox"/> Pass, unamended 2312 <input checked="" 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	5	—	—	—
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