

STAND. COM. REP. NO. 761

Honolulu, Hawaii

February 13, 2019

RE: H.B. No. 616

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committees on Agriculture and Economic Development & Business, to which was referred H.B. No. 616 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

beg leave to report as follows:

The purpose of this measure is to encourage the use of the State's agricultural resources by exempting locally grown produce and locally raised livestock food products from the general excise tax.

The Department of Agriculture, Hawai'i Farm Bureau, Ulupono Initiative, Hawaii Food Industry Association, Handcrafters and Artisans Alliance, Young Progressives Demanding Action, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, 350Hawaii.org, Maui Chamber of Commerce, Hawaii Cattlemen's Council, Honolulu County Republican Party, and several individuals supported this measure. A few individuals opposed this measure. The Department of Taxation, Department of the Attorney General, and Tax Foundation of Hawaii provided comments.

Your Committees have amended this measure by changing its effective date to January 1, 2150, to encourage further discussion.

HB616 HD1 HSCR AGR-EDB HMS 2019-1828



As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 616, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 616, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Agriculture and Economic Development & Business,



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ANGUS L.K. MCKELVEY, Chair



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RICHARD P. CREAGAN, Chair





