

STAND. COM. REP. NO.

2608

Honolulu, Hawaii

FEB 18 2022

RE: S.B. No. 1316

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 1316 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an agricultural production tax credit that includes agricultural producers who produce at least fifty percent of their food crops for local consumption.

Your Committee received testimony in support of this measure from the Department of Agriculture; Ulupono Initiative; Hawai'i Farm Bureau; Carpenter & Carpenter, Inc.; Hawaii Food Industry Association; and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that the State has a goal to double local food production by 2030. One barrier to that goal is that there is little access to capital for agricultural production and few incentives for investment in Hawaii's agricultural industry. This measure incentivizes investment in local food production by establishing an agricultural production tax credit for producers who produce at least fifty percent of their food crops for local consumption.



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. 1316 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



