

Honolulu, Hawaii

MAR 22 2023

RE: H.B. No. 610
H.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred H.B. No. 610, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the farm workforce retention tax credit for farm employers or owners of farm employers who employ eligible farm employees.

Your Committee received testimony in support of this measure from the Department of Agriculture, Ulupono Initiative, Hawai'i Farmers Union United, Kuwale Ridge Farms, Ponoholo Ranch Limited, and seven individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, like many industries in Hawaii, local agriculture struggles with a labor shortage. Due to the many costs that overwhelm farmers and ranchers and the high concentration of farms in certain areas of the State, it can be especially challenging to retain and attract high quality agricultural workers. Your Committee additionally acknowledges that the State is committed to doubling agricultural production and increasing food security in the State and that these goals would be inconceivable without farms offering competitive wages and appealing job opportunities. Therefore, this measure strives



to provide financial relief for farmers and employers of farm employees by providing a tax credit for farms retaining employees for at least five hundred hours in the taxable year.

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. 610, H.D. 2, 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
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 610 HD 2	AEN, WAM	3/17/23		
<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)	✓			
RICHARDS, III, Herbert M. "Tim" (VC)				✓
DECOITE, Lynn				✓
RHOADS, Karl	✓			
AWA, Brenton	✓			
TOTAL	3	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Karl Rhoads</i>				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes