STAND. COM. REP. NO. 1248

Honolulu, Hawaii

MAR 2 2 2023

RE: H.B. No. 1383

H.D. 1 S.D. 1

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

Sir:

Your Committees on Agriculture and Environment and Energy, Economic Development, and Tourism, to which was referred H.B. No. 1383, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

beg leave to report as follows:

The purpose and intent of this measure is to

- (1) Establish a task force to identify the top ten fruits or vegetables that are imported into the State and can also be commercially grown in the State; and
- (2) Create an income tax credit to incentivize the production of those fruits or vegetables to obviate the need to import them into the State.

Your Committees received testimony in support of this measure from the Department of Agriculture, Ulupono Initiative, Hawai'i Farmers Union United, Kanalani Ohana Farm, Food+ Policy Internship 2023, Hawai'i Farm Bureau, and five individuals. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that the State is committed to reducing Hawaii's dependency on food imports by supporting local

agriculture. Hawaii currently imports almost ninety percent of its food and requires significant investment, foresight, and planning to enhance food security in the State. Your Committees further find that it is beneficial for the State that a task force be established to determine what imported fruits and vegetables can be produced locally. Therefore, this measure establishes a task force to identify the top ten most imported fruits and vegetables and creates an income tax credit for farmers that seek to produce these foods, thus bolstering food security in the State.

Your Committees have amended this measure by:

- Adding a representative from the Hawaii Farmers Union (1) United to the Agricultural Import Replacement Task Force:
- Adding representatives from each of the county's (2) economic development departments to the Agricultural Import Replacement Task Force; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1383, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1383, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committees on Agriculture and Environment and Energy, Economic Development, and Tourism,

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee Referral: Date:							
HB1383 HD1	AEN/EET, WAM 3-15-23							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
GABBARD, Mike (C)		X						
RICHARDS, III, Herbert M. "Tim" (VC)		X						
DECOITE, Lynn		\times						
RHOADS, Karl		\times						
AWA, Brenton	· 	X						
		<u> </u>						
TOTAL		5			-			
Recommendation:								
Adopted 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

The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Energy, Economic Development, and Tourism EET

Bill / Resolution No.:*	Committee Referral: Date:							
HB 1383, HDI	AENIEET, WAM 3-15-23							
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	Aye (WR)	Nay	Excused			
DECOITE, Lynn (C)		V /						
WAKAI, Glenn (VC)		V						
FUKUNAGA, Carol					V			
KIM, Donna Mercado		V /						
FEVELLA, Kurt		/						
					-			
								
				/				
TOTAL		4		0				
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original Yellow File with Committee Report Clerks Office		, , ,	Pink rafting Agency		Goldenrod Committee File Copy			

*Only one measure per Record of Votes