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STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 4 2025

RE: S.B. No. 328

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 328 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to provide an income tax credit for capital infrastructure costs incurred in the conversion of a dairy farm to a hog farm.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Agribusiness Development Corporation; and Hawai'i Farm Bureau.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the although the consumption of pork in the State continues to rise, due to high production costs, the number of hog farms and volume of hogs sold in the State has significantly declined. According to testimony received by your Committee, local supply currently accounts for only 0.4 percent of pork consumed, with an additional 2.9 percent produced in the grey market. This measure seeks to invest in Hawaii's pork industry, thereby promoting greater self-sufficiency in local meat production and reducing dependency on imported pork.

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. 328 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-Third Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee Referral:			Date:	
SR328	AEN, WAM			1/27/25	
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)		\times			
RICHARDS, III, Herbert M. "Tim" (VC)		X			
DECOITE, Lynn		χ			
RHOADS, Karl		\times			
AWA, Brenton					
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TOTAL		<u>S</u>			
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