SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

MORRIS M. ATTA Deputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

MONDAY, MARCH 13, 2023 1:15 P.M. CONFERENCE ROOM 224 AND VIDEO CONFERENCING

HOUSE BILL NO. 607 HD2 RELATING TO TAXATION

Chair Gabbard and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 607 HD2, which adds a new section to Chapter 235, HRS, and establishes an interisland produce shipping tax credit to alleviate the costs of interisland shipping for agricultural producers, agricultural cooperative, food hubs, and broad line distributors in the State.

The Department of Agriculture (Department) supports this measure with the following comments. Given that Hawaii is an island state, any increase in cost of interisland transportation can serve as a barrier to market access for many local agricultural and food producers. When an interisland cargo carrier raised its shipping rates by 46 percent in 2020, many agricultural producers, particularly those on neighbor islands could no longer afford to ship their products to other islands and lost market share. Many had to unload their products on their home island.

On page 3, sub-section (d) lines 13-18, the Department respectfully requests the Legislature to remove the language "developer of a commercial building" as it



addresses a tax credit for "renovation costs" incurred by the entity for the taxable year, and is <u>not</u> relevant to the subject matter of an interisland produce shipping tax credit as specified in this measure.

Finally, the Department appreciates all legislative efforts to lower the costs of interisland shipping for farmers, ranchers, agricultural cooperatives, and food hubs in Hawaii. We defer to the Department of Taxation with respect to the proposed amendments in Chapter 235, HRS.

Thank you again for the opportunity to testify on this measure.

Submitted on: 3/11/2023 6:28:06 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Colehour Bondera	Testifying for Kanalani Ohana Farm	Support	Written Testimony Only

Comments:

Aloha --

Please support this legislation for farmers like myself.

Sincerely,

Colehour Bondera

KANALANI OHANA FARM

Honaunau, HI

SYLVIA LUKE LT. GOVERNOR



GARY S. SUGANUMA DIRECTOR

KRISTEN M.R. SAKAMOTO DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF TAXATION Ka 'Oihana 'Auhau P.O. BOX 259 HONOLULU, HAWAI'I 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 607, H.D.2, Relating to Taxation

BEFORE THE: Senate Committee on Agriculture and Environment

DATE:	Monday, March 13, 2023
TIME:	1:15 p.m.
LOCATION:	State Capitol, Room 224

Chair Gabbard, Vice-Chair Richards III, and Members of the Committee:

The Department of Taxation ("Department") offers the following <u>comments</u> regarding H.B. 607, H.D.2, for your consideration.

H.B. 607, H.D.2, adds a new section to chapter 235, Hawaii Revised Statutes (HRS), to create a nonrefundable income tax credit for taxpayers who are farmers or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties. The taxpayer can claim an unspecified percentage, up to an unspecified maximum amount per producer, for transportation costs for the shipping of produce and agricultural products between counties.

The credit is distributed annually with an unspecified aggregate cap, allowing that up to an unspecified percentage of the aggregate that may be claimed by farmers and ranchers, up to an unspecified percentage may be claimed by food hubs, and up to an unspecified percentage may be claimed by broad line distributors.

This measure has a defective effective date of June 30, 3000.

First, the Department notes that the credit is distributed annually, and unspecified amounts are allocated to different types of taxpayers. The Department does not have the

Department of Taxation Testimony H.B. 607, H.D. 2 March 13, 2023 Page 2 of 2

ability to administer the credit based on the various percentages. The Department further notes that it does not have the ability to administer the aggregate annual cap without another agency certifying the credit. The Department requests that an agency with the requisite expertise be made responsible for certifying this credit and administering the unspecified aggregate cap.

Second, in order to properly implement and administer this measure, the Department suggests adding a definition for "broad line distributors," as referenced in Section 2, page 3, line 10 of the measure.

Third, the Department recommends amending subsection (d) in Section 2, page 3, lines 13 through 16 of the bill, as follows:

In the case of a partnership, S corporation, estate, <u>or</u> trust, [or any developer of a commercial building], the tax credit allowable is for [renovation] <u>transportation</u> costs incurred by the entity for the taxable year.

Fourth, the Department recommends deleting subsection (g) in section 2, page 4, lines 18 through 20 of the bill, relating to refund vouchers, as this credit is a nonrefundable credit.

Finally, the Department notes that it will require resources and time to implement the new credit. Accordingly, the Department requests that when the effective date of the measure is updated, it be amended to apply to taxable years beginning after December 31, 2023.

Thank you for the opportunity to provide comments on this measure.



Email: communications@ulupono.com

SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT Monday, March 13, 2023 — 1:15 p.m.

Ulupono Initiative <u>supports</u> HB 607 HD2, Relating to Taxation.

Dear Chair Gabbard and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono <u>supports</u> HB 607 HD2, which creates an income tax credit for taxpayers who are farmers, or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties.

Ulupono supports the State's goal to double local food production. This measure seeks to address one of the most important issues facing local agriculture—transportation. To help address costs associated with moving agricultural products to markets, the Reimbursement Cost Transportation Program is a USDA Farm Service Agency program that is fully prescribed each year with roughly 200-300 applicants each year.

The program is a great resource, but not all producers are eligible or able to navigate the federal process. This is the case with many federal program opportunities for agriculturalists. Having some level of State support can directly provide a positive impact on producer bottom lines.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

Investing in a Sustainable Hawai'i

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Credit for Producers of Agricultural Goods for Interisland Shipping

BILL NUMBER: HB 607 HD 2

INTRODUCED BY: House Committee on Finance

EXECUTIVE SUMMARY: Creates an income tax credit for taxpayers who are farmers, or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties.

SYNOPSIS: Adds a new section to chapter 235, HRS, to establish the interisland produce shipping tax credit. The credit is __% of the input transportation costs for the shipping of produce and agricultural goods between counties, up to a maximum of \$____ per producer.

Defines "food hub" as a business or organization that actively manages the aggregation, distribution, and marketing of source-identified food products, primarily from local producers, to strengthen the business or organization's ability to satisfy wholesale, retail, and institutional demand.

Defines "input transportation costs" as transportation costs of inputs used to produce an agricultural commodity, including but not limited to air freight, ocean freight, and land freight of chemicals, feed, fertilizer, fuel, seeds, plants, supplies, equipment parts, and other inputs.

Defines "producer" as any farmer or rancher who is an individual, group of individuals, partnership, corporation, estate, trust, association, cooperative, broad line distributor, food hub, or other business enterprise or other legal entity who shares in the risk of producing an agricultural commodity in substantial commercial quantities and who is entitled to a share of the agricultural commodity from the agricultural operation.

Defines "verifiable records" as evidence that is used to substantiate the amount of eligible credits per producer that can be verified by the director of taxation through an independent source.

For a partnership, S corporation, estate, or trust, the cost upon which the credit is computed shall be determined at the entity level and the distribution and share of the tax credit shall be determined by administrative rule.

Requires the director of taxation to prepare any forms necessary to claim a credit, may require a taxpayer to furnish reasonable information to validate a claim for the credit, and adopt rules pursuant to HRS chapter 91. Requires claims for the credit, including any amended claims, to be filed on or before the end of the twelfth month following the taxable year for which the credit is claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the tax credit.

Re: HB 607 HD2 Page 2

The aggregate amount of tax credits claimed shall not exceed \$_____ for all taxpayers in any taxable year. Of the \$5 million, up to __% may be claimed by farmers and ranchers; up to __% may be claimed by food hubs; and up to __% may be claimed by broad line distributors.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: Lawmakers need to keep in mind two things. First, the tax system is the device that raises the money that they, lawmakers, like to spend. Using the tax system to shape social policy merely throws the revenue raising system out of whack, making the system less than reliable as there is no way to determine how many taxpayers will avail themselves of the credit and in what amount.

The second point to remember about tax credits is that they are nothing more than the expenditure of public dollars, but out the back door. If, in fact, these dollars were subject to the appropriation process, would taxpayers be as generous about the expenditure of these funds when our kids are roasting in the public school classrooms, there isn't enough money for social service programs, or our state hospitals are on the verge of collapse?

In any event, a direct appropriation would be more accountable and transparent.

Furthermore, the additional credit would require changes to tax forms and instructions, reprogramming, staff training, and other costs that could be massive in amount. A direct appropriation may be a far less costly method to accomplish the same thing.

We also note that the statewide cap has three prongs and the bill does not articulate what happens if a taxpayer incurs eligible costs, applies for the credit, and it turns out that the statewide cap is exceeded. Is the current applicant denied? Is the applicant supposed to be able to carry the credit forward? Are all applicants denied pro rata?

Digested: 3/10/2023

HB-607-HD-2 Submitted on: 3/11/2023 11:48:51 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan Gottlieb	Testifying for Ponoholo Ranch Limited	Support	Written Testimony Only

Comments:

Please support this bill

Officers Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

Chapter Presidents

Madeline Ross Kohala, Hawai'i

Odysseus Yacalis East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Chantal Chung Kona, Hawai'i

Fawn Helekahi-Burns Hana, Maui

> Reba Lopez Haleakala, Maui

Kaiea Medeiros Mauna Kahalawai, Maui

> Kaipo Kekona Lahaina, Maui

Rufina Kaauwai Molokai

Negus Manna Lāna'i

Brynn Foster North Shore, Oʻahu

Christian Zuckerman Wai'anae, O'ahu

Ted Radovich Waimanalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

> Ray Maki Kauai



Aloha Chair Gabbard, Vice Chair Richards, and Members of the Senate Agriculture and Environment Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU strongly supports HB607.**

We all understand the importance of supporting farmers and producers across Hawaii, as well as the need to ensure that our agricultural sector remains strong. The proposed income tax credit for those who are in this industry will provide much needed relief and assistance to farmers and producers who are so often the backbone of our rural and island economies.

This tax credit can help to reduce the cost of shipping agricultural products between counties and make it easier for farmers and producers to provide the food that is so important for our communities. Additionally, it will help to create a level playing field between large and small-scale producers and distributors, providing resources and assistance to those that are the most vulnerable. We strongly support HB607 and hope that it will benefit Hawai'i's farmers and producers meaningfully.

We also offer the following amendments to clarify language and program structure:

Remove section (d) to focus on inter-island produce shipping:

(d) In the case of a partnership, S corporation, [-estate, trust, or any developer of a commercial building,] the tax credit allowable is for <u>shipping</u> [renovation] costs incurred by the entity for the taxable year. The cost upon which the tax credit is computed shall be determined at the entity level. Distribution and share of credit shall be determined by rule.

Remove current section (g) as this credit does not offer refunds:

(g) All of the provisions relating to assessments and refunds under this chapter and under section 231 23(c)(1) shall apply to the tax credit under this section.

Include a new section (g) to establish the Department of Agriculture as a third party certifying agency of the credit to issue certificates and track the amount of the \$5M annual credit remaining for use:

(g) The department of agriculture shall:

(1) <u>Maintain records of the names and addresses of the qualified taxpayers claiming</u> the credits under this section and the total amount of the qualified expenses upon which the tax credits are based;

(2) Verify the nature and amount of the qualified expenses;

(3) Total all qualified and cumulative expenses that the department certifies; and

(4) Certify the amount of the tax credit for each taxpayer for each taxable year and the cumulative amount of the tax credit.

Refine non- producer or food hub distributors who may use the credit:

(c) The tax credits shall be distributed annually as follows:

(1) Up to fifty per cent of the total tax credits available may be claimed by farmers and ranchers;

(2) Up to thirty per cent of the total tax credits available may be claimed by food hubs; and

(3) Up to twenty per cent of the total tax credits available may be claimed by [broad line_]distributors.

Define distributors:

(h) As used in this section:

"Distributors" means a business or organization that functions as an intermediary between food manufacturers and the food service operator.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

Kennel S.K. Rebune



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 13, 2023

HEARING BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON HB 607, HD2 RELATING TO TAXATION

Conference Room 224 & Videoconference 1:15 PM

Aloha Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 607, HD2, which creates an income tax credit for taxpayers who are farmers, or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties.

Interisland transportation has been a major issue with neighbor island farmers and ranchers. The majority of agricultural lands are in the neighbor islands yet the population center is on Oahu. Neighbor island farmers and ranchers are disadvantaged when competing with fellow farmers and ranchers on Oahu due to additional transportation costs of bringing in supplies and sending products out. Each increase in interisland shipping rates means increased costs to these farmers and ranchers, costs that usually cannot be passed on to the vendor. This bill seeks to level the playing field by providing assistance to neighbor island farmers and ranchers.

We believe that this tax will help to reduce the operating costs for our neighbor island farmers and ranchers and eventually help reduce the cost of purchasing local agriculture products for local consumers.

We are concerned that the amended definition of "producer" may allow producers in any state, rather than only producers in Hawai'i, to be eligible for the interisland produce shipping tax credit.

Thank you for the opportunity to testify on this measure.



Senate Committee on Agriculture and Environment

Hawai'i Alliance for Progressive Action (HAPA) Supports: HB607 HD2

Monday, March 13, 2023 1:15p.m. Conference Room 224

Aloha Chair Gabbard, Vice Chair Richards and Members of the Committee,

HAPA supports HB607 HD2 which creates an income tax credit for taxpayers who are farmers, or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties.

The purpose of this measure is to establish an inter-island produce shipping tax credit to alleviate the costs of inter-island shipping for farmers and ranchers in the State which we understand is an important part of supporting our local agriculture sector and food security.

The cost of inter-island transportation is a bottleneck for market access by food producers in Hawaii. This issue is also recognized by the United States Department of Agriculture, which administers a reimbursement transportation cost payment program for geographically disadvantaged farmers and ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity.

The reimbursement transportation cost payment program helps eligible farmers and ranchers in Hawaii and the Pacific offset their costs for transporting agricultural products or inputs used to produce an agricultural commodity over long distances. Payments from the program are calculated based on the costs incurred for transportation of the agricultural commodity or inputs during a fiscal year, subject to an \$8,000 per producer cap per fiscal year.

Providing an income tax credit like the reimbursement transportation cost payment program that similarly reimburses producers for a portion of the cost to transport agricultural goods between the counties will reduce cost impacts to farm viability and consumer food price and support progress towards the State's Aloha+ Challenge commitment to increase local food consumption and production.

Please support local food producers and distributors and pass HB607 HD2.

Thank you for your consideration. Respectfully,

Anne Frederick Executive Director

The Hawai'i Alliance for Progressive Action (HAPA) is a public non-profit organization under Section 501(c)(3) of the Internal Revenue Code. HAPA's mission is to catalyze community empowerment and systemic change towards valuing 'aina (environment) and people ahead of corporate profit.

Submitted on: 3/12/2023 10:20:40 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Harriet Witt	Testifying for Hawaii Farmers Union United	Support	Written Testimony Only

Comments:

We need this bill if we hope to decrease our dangerous dependence on the mainland. Please support it. Mahalo, Harriet Witt, Haiku, Maui

Submitted on: 3/12/2023 11:38:59 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Christian Zuckerman	Testifying for Kuwale Ridge Farms	Support	Written Testimony Only

Comments:

Aloha,

My name is Christian Zuckerman and I am in strong support of HB 607. I am a farmer in Waianae and also a member of the Hawaii Farmers Union United (HFUU).

One of the major challenges facing farmers is the high cost of interisland shipping. With the price of fuel only going up, this will only cause shipping costs to also increase. By having a tax credit available, this will increase the amount of produce that is shipped inter-island and also allow for farmers to get better margins on their products.

Aloha

Christian



67-332 Kaiea Pl. Waialua, HI 96791-9501 808-383-4481 www.NSEVP.org

March 12, 2023

COMMITTEE ON AGRICULTURE AND ENVIRONMENT Monday March 13, 2023, 1:15 p.m.

SUBJECT: Comments on HB 607 HD2- RELATING TO TAXATION

Dear Chair Gabbard, Vice-Chair Richards, and members of the Committee:

On behalf of the North Shore Economic Vitality Partnership (North Shore EVP), I would like to extend support for HB 607, which establishes an interisland produce shipping tax credit to alleviate the costs of interisland shipping for farmers and ranchers in the State.

Since 2016, North Shore EVP has been working to prepare farmers to fully and equitably participate in Hawaii's commercial and institutional markets by providing food safety training and certification through our USDA GroupGAP program. By working with farms across the state, we have found that interisland shipping costs can be a significant impediment to accessing new markets, especially for producers in our program who are expanding operations and would like to serve larger commercial and institutional markets.

In an effort to motivate more farmers to adopt food safety certification and the ability to sell into commercial and institutional markets that require such documentation, Hawaii GroupGAP now partners with a Hawaii company that is willing, for the time being, to <u>ship food safety certified produce between</u> <u>the islands at no cost to the producer</u>. We believe that other market-driven incentives and industry collaborations in addition to tax credits will continue to lower the costs of shipping agricultural products between islands.

Thank you for the opportunity to testify on this bill.

Kennin Mr. Kelly

Kevin M Kelly, President



COMMITTEE ON AGRICULTURE AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Herbert M. "Tim" Richards, III, Vice Chair

HB607.HD2 RELATING TO TAXATION

Monday, March 13, 2023, 1:15 PM Conference Room 224 & Videoconference

Chair Gabbard, Vice Chair Richards, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council <u>supports HB607 HD2</u> which creates an income tax credit for taxpayers who are farmers, or are producers of agricultural commodities, cooperatives, broad line distributors, or food hubs who ship products and agricultural goods between counties.

As an island state, transportation of cattle is a key component for Hawaii's ranchers. Over the past few years, the cost of transportation has continued to increase dramatically. Ranchers rely on interisland shipping to get cattle to available processing facilities and to viable markets. This tax credit will be a welcome opportunity for producers to utilize.

We appreciate the opportunity to testify on this measure.

Nicole Galase Hawaii Cattlemen's Council Managing Director



P.O. Box 934 • Hilo, HI 96721 • (808) 333-6755 • www.hicattle.org • office@hicattle.org



1050 Bishop St. PMB 235 | Honolulu, HI 96813 P: 808-533-1292 | e: info@hawaiifood.com

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TO: Committee on Agriculture and Environment Senator Mike Gabbard Chair Senator Herbert M. "Tim" Richards, III Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: Monday, March 13, 2023 TIME: 1:15m

RE: HB607 HD2 Relating to Taxation

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

Increasing local food production is an important goal for our state. We are all aware of the many challenges that our local food producers face, including the geographic obstacle of getting food from where it's grown to customers on other islands.

This measure would help offset the burden that food producers face when moving their goods interisland. This tax credit can help make locally grown food more competitive with imported products, more available and accessible to consumers or manufacturers on other islands, and incentivize more agricultural production.

For these reasons we ask the committee to pass this measure. Thank you for the opportunity to testify.

Submitted on: 3/10/2023 3:06:28 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Gordon Inouye	Individual	Support	Written Testimony Only

Comments:

farmers can use all the help we can get. It is a very challenging occupation and fraught with risks from nature as well as theft from two legged animals. A tax credit would help mitigate the risks inherent to farming.

Mahalo! Gordon Inouye

Submitted on: 3/10/2023 7:17:21 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

Providing additional support to Hawaii's organic agriculture industry could help to reduce reliance on agricultural imports and to foster job growth in the State. Organic farming practices improves soil fertility and structure, promotes biodiversity, and reduces the risks of human, animal, and environmental exposure to toxic materials. Reducing the burden on the emerging number of small farmers seeking costly, but necessary, organic certifications and inspections will help to promote the production and availability of locally-grown organic food in Hawaii.

Please support HB608.

Thank you for your consideration, Nanea Lo, Mōʻiliʻili

Submitted on: 3/10/2023 7:32:36 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Samuel M Mitchell	Individual	Support	Written Testimony Only

Comments:

The cost of inter-island transportation is a bottleneck for market access by food producers in Hawaii. This issue is also recognized by the United States Department of Agriculture, which administers a reimbursement transportation cost payment program for geographically disadvantaged farmers and ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity.

Providing an income tax credit like the reimbursement transportation cost payment program that similarly reimburses producers for a portion of the cost to transport agricultural goods between the counties will reduce cost impacts to farm viability and consumer food price and support progress towards the State's Aloha+ Challenge commitment to increase local food consumption and production.

Please support local food producers and distributors and pass HB607.

Thank you for your consideration,

Samuel Mitchell Maikiki 96822

HB-607-HD-2 Submitted on: 3/10/2023 8:57:10 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Dana Keawe	Individual	Support	Written Testimony Only

Comments:

Support

Submitted on: 3/11/2023 8:29:28 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Ezgi Green	Individual	Support	Written Testimony Only

Comments:

Aloha kākou,

The cost of inter-island transportation is a bottleneck for market access by food producers in Hawaii. This issue is also recognized by the United States Department of Agriculture, which administers a reimbursement transportation cost payment program for geographically disadvantaged farmers and ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity.

Providing an income tax credit like the reimbursement transportation cost payment program that similarly reimburses producers for a portion of the cost to transport agricultural goods between the counties will reduce cost impacts on farm viability and consumer food price and support progress towards the State's Aloha+ Challenge commitment to increase local food consumption and production.

Please support local food producers and distributors and pass HB607.

I appreciate your consideration,

Ezgi Green, Kaimanu Place/Waialua

Submitted on: 3/11/2023 12:27:10 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Michele Nihipali	Individual	Support	Written Testimony Only

Comments:

The cost of inter-island transportation is a bottleneck for market access by food producers in Hawaii. This issue is also recognized by the United States Department of Agriculture, which administers a reimbursement transportation cost payment program for geographically disadvantaged farmers and ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity.

Providing an income tax credit like the reimbursement transportation cost payment program that similarly reimburses producers for a portion of the cost to transport agricultural goods between the counties will reduce cost impacts to farm viability and consumer food price and support progress towards the State's Aloha+ Challenge commitment to increase local food consumption and production.

Please support local food producers and distributors and pass HB607.

Thank you for your consideration,

Michele Nihipali

54-074 A Kam Hwy.

Hauula, HI 96717

HB-607-HD-2 Submitted on: 3/11/2023 2:32:02 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Aileen K . F. Yeh	Individual	Support	Written Testimony Only

Comments:

In support.

HB-607-HD-2 Submitted on: 3/11/2023 5:47:04 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
luann casey	Individual	Support	Written Testimony Only

Comments:

Please support farmers, this is the way to help our island have some food security. Mahalo, LuAnn & Gary

HB-607-HD-2 Submitted on: 3/11/2023 6:01:06 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Sylvia Cenzano	Individual	Support	Written Testimony Only

Comments:

I strongly support this tax credit for entities that are a significant part of our vital food production and support!!

Submitted on: 3/11/2023 6:11:49 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Rexann Dubiel	Individual	Support	Written Testimony Only

Comments:

I support HB607.

We need incentives for small farmers who grow healthy food!

We need to stop depending on Mainland factory farms. Our carbon footprint is out of control.

Submitted on: 3/11/2023 6:15:27 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Rexann Dubiel	Individual	Support	Written Testimony Only

Comments:

I support HB608.

We need incentives which support local farmers.

We are too dependent on Mainland factory farms!

Submitted on: 3/11/2023 7:28:01 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Normand A Cote	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly SUPPORT HB607!

Sincerely,

Normand A Cote

HB-607-HD-2 Submitted on: 3/11/2023 7:47:07 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Dennis F Lokmer	Individual	Support	Written Testimony Only

Comments:

I urge strong support for this bill. DFL

Submitted on: 3/11/2023 8:51:51 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Nina Rivers	Individual	Support	Written Testimony Only

Comments:

PLEASE SUPPORT THIS BILL!

As a 5th generation Maui raised upcountry farmer on 40 acres, and trying to keep the land in our family, we definitely need this type of support and bills for agriculture.

Nina Hupp Rivers

HB-607-HD-2 Submitted on: 3/12/2023 6:46:41 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Woody Child	Individual	Support	Written Testimony Only

Comments:

I support HB607 relating to Taxation.

Submitted on: 3/12/2023 10:42:17 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert ZUckerman	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill that will assist the farmers. Teir work is an essential service that benfits us all.

HB-607-HD-2 Submitted on: 3/12/2023 11:52:34 AM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Sunny Savage	Individual	Support	Written Testimony Only

Comments:

In support!

Submitted on: 3/12/2023 1:14:34 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Stayton	Individual	Support	Written Testimony Only

Comments:

Dear Representatives,

The cost of inter-island transportation is a bottleneck for market access by food producers in Hawaii. This issue is also recognized by the United States Department of Agriculture, which administers a reimbursement transportation cost payment program for geographically disadvantaged farmers and ranchers to reimburse producers for a portion of the cost to transport agricultural commodities or inputs used to produce an agricultural commodity.

Providing an income tax credit like the reimbursement transportation cost payment program that similarly reimburses producers for a portion of the cost to transport agricultural goods between the counties will reduce cost impacts to farm viability and consumer food price and support progress towards the State's Aloha+ Challenge commitment to increase local food consumption and production.

Please support local food producers and distributors and pass HB607.

Thank you for your consideration,

Susan Stayton, Lawai, Kauai, HI

Submitted on: 3/12/2023 5:04:57 PM Testimony for AEN on 3/13/2023 1:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Support	Written Testimony Only

Comments:

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Please support local food producers and distributors and pass HB607.

Thank you for your consideration,

Shay Chan Hodges

Maui, Hawaii