STAND. COM. REP. NO.

Honolulu, Hawaii

February 16, 2017

RE: H.B. No. 1502 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1502 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX EXEMPTIONS,"

begs leave to report as follows:

The purpose of this measure is to encourage healthy eating habits by the people of Hawaii and to promote the success of local agriculture by establishing two general excise tax exemptions -- one for select healthy foods and one for locally grown food and food products.

Three concerned individuals supported this measure. A concerned individual opposed the measure. The Department of Agriculture, Department of Taxation, and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Including additional healthy foods to which the general excise tax exemption can be applied;
- (2) Eliminating the general excise tax exemption for locally grown food and food products;
- (3) Changing its effective date to July 31, 2150; and

(4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1502, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Agriculture,

RICHARD P. CREAGAN, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

HSCR 439

Record of Votes of the Committee on Agriculture

Bill/Resolution No.: H31502	Committee Referral: AGR, FIN		Date: 2-10-17	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. CREAGAN, Richard P. (C)			11., and	
2. DeCOITE, Lynn (VC)				
3. GATES, Cedric Asuega		<u>. 11. 22. 23. 23. 23. 24. 3</u> .		
J. Siribb, Courte House				
4. ING, Kaniela				Fanais militare d'Alia apparation de la Company
5. LoPRESTI, Matthew S.				
6. TAKAYAMA, Gregg				
7. THIELEN, Cynthia				
,, in the second second				
TOTAL (7)	7			
The recommendation is: Adopted				
Vice Chair's or designee's signature: A LCTE				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				