STAND. COM. REP. NO. 638

Honolulu, Hawaii

February 17 ' 2017

RE: H.B. No. 961 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. 961 entitled:

"A BILL FOR AN ACT RELATING TO FARMERS,"

begs leave to report as follows:

The purpose of this measure is to support farmers in Hawaii by providing an income-tax exclusion on the first \$50,000 of income earned by farmers whose annual gross income falls below certain thresholds.

The Hawaii Farm Bureau and two concerned individuals supported this measure. The Department of Agriculture supported the intent of the measure. SHAKA Movement/SAFE and numerous concerned individuals opposed the measure. The Department of Taxation and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Restoring the Organic Foods Production Tax Credit, which had been proposed to be repealed;
- (2) Changing its effective date to July 31, 2150, to encourage further discussion; and

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

Your Committee recognizes the benefits of the Organic Foods Production Tax Credit on agriculture in Hawaii and has thus restored this tax credit.

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. 961, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 961, 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



Record of Votes of the Committee on Agriculture

Bill/Resolution No.: HB 961	Committee Referral:	, FIN	Date: FEB 15,	2017
☐ The committee is reconsidering its pr	revious decision on the measure.			
	ess, unamended (as is) Pass ess short form bill with HD to recor	s, with amenda		
AGR Members	Ayes	Ayes (W	R) Nays	Excused
1. CREAGAN, Richard P. (C)	✓			
2. DeCOITE, Lynn (VC)			- 大阪の 編輯連載編纂編門では4年間の大力は1、10万円で	
3. GATES, Cedric Asuega				
4. ING, Kaniela				
4. INO, Kameia				
5. LoPRESTI, Matthew S.				
6. TAKAYAMA, Gregg				
o. Inikiinini, diegg				
7. THIELEN, Cynthia				
TOTAL (7)	6		1	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				