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# A BILL FOR AN ACT

RELATING TO TARO.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that Hawaii imports  
2 eighty-five per cent of its food and is considered highly  
3 vulnerable in issues of food security as a state. Climate  
4 change significantly increases this vulnerability with sea level  
5 rise and intensified weather patterns in the Pacific, such as  
6 droughts, hurricanes, and floods. In 2016, the governor pledged  
7 to double food production in Hawaii by 2030 at the International  
8 Union for Conservation of Nature World Conservation Congress, as  
9 part of Hawaii's commitments to the world and in order to begin  
10 to address this import inequity.

11           The legislature further finds that small farms on ten acres  
12 or less in Hawaii produce a significant portion of locally-grown  
13 and locally-consumed food on each island. The small farm sector  
14 of agriculture is growing, yet the 2017 census of agriculture  
15 reports that the average small-scale farmer in Hawaii makes less  
16 than \$40,000 per year, with losses of almost \$10,000 annually  
17 due to the high costs of farming, including land and water. To



1 reach the State's 2030 goal for local food production, there is  
2 an urgent need to better support small farmers including through  
3 small economic incentives to build a larger market.

4       The legislature additionally finds that the department of  
5 agriculture has identified staple starches as the greatest food  
6 security risk in the State. Taro is a hypoallergenic complex  
7 carbohydrate that plays a critical role in the health of  
8 families, particularly Native Hawaiians. Yet, the cost of poi  
9 remains inaccessible to families most in need of this important  
10 staple starch food. Taro is one of Hawaii's highest-yielding  
11 staple starch food crops, producing ten thousand and twenty  
12 thousand pounds per acre per annum under wet and dry  
13 cultivation, respectively; however, taro is severely  
14 underproduced in the State. The 2017 census of agriculture  
15 reported two hundred seven farms and four hundred ninety-five  
16 acres of taro in wetland and dryland production. An estimated  
17 two hundred to three hundred additional acres are unreported or  
18 in subsistence taro cultivation. Annual reported production  
19 averages four million pounds; however, taro imports are  
20 estimated to soon exceed local production.



1           The legislature also finds that loi kalo, or wetland taro  
2 systems, are additionally recognized for their potential to  
3 mitigate other impacts of climate change by functioning as  
4 riparian buffers and sediment retention basins. Underground  
5 foods, such as taro, can often survive hurricanes or flood  
6 events and can be harvested to address immediate food shortages  
7 where the capacity to store and cook food can be retained.

8           The legislature further finds that the 2010 report of the  
9 taro security and purity task force to the legislature  
10 recommended a number of supports to make taro farming  
11 affordable, including access to land, water, mentoring, and  
12 economic incentives. The counties of Maui and Kauai have  
13 enacted ordinances that exempt kuleana lands in active taro  
14 production from county taxes. These ordinances provide limited  
15 relief to some taro farms but are not available in all counties  
16 and are insufficient for young farmers to offset typically low  
17 incomes experienced by taro growers or mitigate the effects of  
18 competition from imports.

19           The legislature additionally finds that, in 1901, the first  
20 legislature of the Territory of Hawaii recognized the role that  
21 taro played in feeding the nation by passing Senate Bill No. 87



1 to encourage the cultivation of taro by exempting taro and the  
2 cultivation of taro from all state taxes. While Senate Bill No.  
3 87 was never signed into law, its intentions were clear in  
4 encouraging the production of more taro.

5 The legislature also finds that, in recognition of the  
6 critical importance of protecting and perpetuating the  
7 traditional practice of taro farming as part of Hawaii's  
8 cultural identity and its role in local food security, there is  
9 a compelling interest in enacting a law in present day that is  
10 similar to Senate Bill No. 87.

11 The purpose of this Act is to create stronger economic  
12 incentives for new taro farmers, improve the livelihoods of  
13 existing taro farmers, and reduce the cost of poi for local  
14 residents by temporarily exempting from the general excise tax  
15 the gross proceeds or income from the sale of any product  
16 resulting from the cultivation and production of unprocessed  
17 taro or of any value-added product whose primary ingredient is  
18 taro or taro leaf.

19 SECTION 2. Chapter 237, Hawaii Revised Statutes, is  
20 amended by adding a new section to be appropriately designated  
21 and to read as follows:



1           "§237-       Exemption for the cultivation and production of  
2 unprocessed taro and certain value-added products. (a) There  
3 shall be exempted from, and excluded from the measure of, the  
4 taxes imposed by this chapter all of the gross proceeds or  
5 income received from the sale of any product resulting from the  
6 cultivation and production of unprocessed taro, or of any value-  
7 added product of which the primary ingredient is taro or taro  
8 leaf. This exemption shall not apply to supermarkets, big-box  
9 stores, or bulk buyers or shippers of raw or value-added taro  
10 products.

11           (b) As used in this section:

12           "Big-box store" means a physically large retail  
13 establishment that offers a wide variety of products to  
14 consumers. A "big-box store" is also known as a "hyperstore",  
15 "supercenter", "superstore", or "megastore".

16           "Primary ingredient" means the ingredient of highest  
17 percentage in a product and listed first on the product's label.

18           "Supermarket" means a self-service store that offers a wide  
19 variety of food, beverages, and household products, organized  
20 into sections."

21           SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall take effect upon its approval  
2 and shall be repealed on June 30, 2028.



H.B. NO. 284  
H.D. 1

**Report Title:**

Unprocessed Taro; Cultivation and Production; Value-added  
Products; General Excise Tax; Exemption

**Description:**

Exempts from the general excise tax the gross proceeds or income received from the sale of any product resulting from the cultivation and production of unprocessed taro and value-added products whose primary ingredient is taro or taro leaf. Repeals 6/30/2028. (HD1)

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