
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 the State and in
10 order to begin 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 accomplish the State's 2030 goal for local food production,
2 there is an urgent need to better support small farmers
3 including through small economic incentives to build a larger
4 market.

5 The legislature additionally finds that the department of
6 agriculture has identified staple starches as the greatest food
7 security risk in the State. Taro is a hypoallergenic complex
8 carbohydrate that plays a critical role in the health of
9 families, particularly Native Hawaiians. Yet, the cost of poi
10 remains inaccessible to families most in need of this important
11 staple starch food. Taro is one of Hawaii's highest yielding
12 staple starch food crops, producing ten thousand and twenty
13 thousand pounds per acre per annum under wet and dry
14 cultivation, respectively; however, taro is severely
15 underproduced in the State. The 2017 census of agriculture
16 reported two hundred seven farms and four hundred ninety-five
17 acres of taro in wetland and dryland production. An estimated
18 two hundred to three hundred additional acres are unreported or
19 in subsistence taro cultivation. Annual reported production
20 averages four million tons; however, taro imports are estimated
21 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 report of the taro
9 security and purity task force to the 2010 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 the gross proceeds or income
15 from the sale of any product resulting from the cultivation and
16 production of unprocessed taro from the general excise tax.

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

20 "§237- Exemption for the cultivation and production of
21 unprocessed taro. (a) There shall be exempted from, and



1 excluded from the measure of, the taxes imposed by this chapter
2 all of the gross proceeds or income received from the sale of
3 any product resulting from the cultivation and production of
4 unprocessed taro, or of any value-added product of which the
5 primary ingredient is taro or taro leaf. This exemption shall
6 not apply to supermarkets, big box stores, or bulk buyers or
7 shippers of raw or value-added taro products.

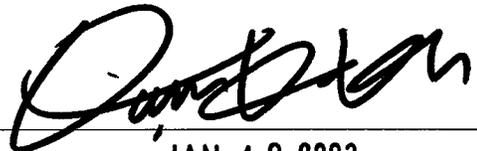
8 (b) As used in this section, "primary ingredient" means
9 the ingredient of highest percentage in a product and listed
10 first on the product's label."

11 SECTION 3. New statutory material is underscored.

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

14

INTRODUCED BY:



JAN 19 2023



H.B. NO. 284

Report Title:

Unprocessed Taro; Cultivation and Production; General Excise Tax; Exemption

Description:

Exempts the gross proceeds or income received from the sale of any product resulting from the cultivation and production of unprocessed taro from the general excise tax. Repeals 6/30/2028.

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