STAND. COM. REP. NO.

Honolulu, Hawaii FEB 16 , 2023

RE: H.B. No. 311 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 311 entitled:

"A BILL FOR AN ACT RELATING TO KALO FARMING,"

begs leave to report as follows:

The purpose of this measure is to establish a general excise tax exemption on the gross proceeds arising from the sale of machinery, fuel, chemicals, seed or huli, animals, and feed to a qualified farmer and directly related to the qualified farmer's kalo farming operations.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai'i Alliance for Progressive Action, Kohana Family Farms, Hawai'i Farm Bureau, Food+ Pclicy, Hawai'i Farmers Union United, and eleven individuals. Your Committee received comments on this measure from the Department of Taxation, Office of Hawaiian Affairs, Tax Foundation of Hawaii, and one individual.

Your Committee finds that kalo farming is a practice that has been integral to the Hawaiian islands for centuries and has provided an abundance of food and ecological health. Kalo is a fcod that is adapted to Hawaii's environment and can grow well in the State. This measure reduces the cost of production of kalo

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and supports indigenous food culture, farming, and local food security by supporting kalo farming and farmers.

Your Committee has amended this measure by:

- Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 311, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 311, H.D. 1, and be referred to your Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Agriculture & Food Systems,

CEDRIC ASUEGA GATES, Chair

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State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Agriculture & Food Systems

Bill/Resolution No.: HB311	Committee Referral: AGR, FIN	Date	2/13/20	23
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. GATES, Cedric Asuega (C)				
2. KAHALOA, Kirstin (VC)				
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3. COCHRAN, Elle				
<u> Andrea Andrea an Andrea an Andrea</u>				
4. LOWEN, Nicole E.				
5. PERRUSO, Amy A.		terre Harris and Andrew		
6. WOODSON, Justin H.		1997 - Maya Kamano, ang Kangantan ang Kangania. Ng Kangana	nuumaa uusandiidaddiida —nink yksisteediidaafaa	an an an an Anna an Anna ann an Anna an
		a na ann an a	a da la é a la havê	
7. WARD, Gene				
TOTAL (7)	7			
The recommendation is: Adopted Not Adopted If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				