

Honolulu, Hawaii

FEB 04 2025

RE: S.B. No. 328

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 328 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to provide an income tax credit for capital infrastructure costs incurred in the conversion of a dairy farm to a hog farm.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Agribusiness Development Corporation; and Hawai'i Farm Bureau.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that although the consumption of pork in the State continues to rise, due to high production costs, the number of hog farms and volume of hogs sold in the State has significantly declined. According to testimony received by your Committee, local supply currently accounts for only 0.4 percent of pork consumed, with an additional 2.9 percent produced in the grey market. This measure seeks to invest in Hawaii's pork industry, thereby promoting greater self-sufficiency in local meat production and reducing dependency on imported pork.



As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 328 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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



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MIKE GABBARD, Chair



