

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii
Sir:

Your Committee on Agriculture, to which was referred H.B. No. 261 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to support the conservation and protection of agricultural lands in Hawaii by:

- (1) Expanding the types of expenditures that can qualify for the Important Agricultural Land Qualified Agricultural Cost Tax Credit to include expenditures related to improving, enhancing, and restoring qualifying former sugar and pineapple plantation lands; and
- (2) Extending through the 2029 tax year the time in which the Department of Agriculture (DOA) may certify Important Agricultural Land Qualified Agricultural Cost Tax Credits.

The Hawai'i Farm Bureau, Maui County Farm Bureau, Hawaii Farmers Union, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and a concerned individual supported this measure. The Department of Taxation (DOTAX), DOA, Office of Planning, Land Use Commission, and Tax Foundation of Hawaii submitted comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2150, to encourage further discussion.

Your Committee respectfully requests your Committee on Finance to review the testimonies submitted on this measure by the only individual who submitted testimony, DOA, and DOTAX.

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. 261, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 261, 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