

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii  
Sir:

Your Committee on Agriculture, to which was referred S.B. No. 496, S.D. 2, entitled:  
"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to reduce the State's reliance on imported produce by:

(1) Establishing within the Department of Agriculture a task force to identify the top ten imported fruits and vegetables that may be commercially grown by farmers in Hawaii; and

(2) Creating an agricultural import replacement tax credit to incentivize local production of these fruits and vegetables.

Your Committee received testimony in support of this measure from the Hawaiian Farm Bureau, Ulupono Initiative, Hawaii Food Industry Association, Climate Protectors Hawaii, Environmental Caucus of the Democratic Party of Hawaii, Energy Research Systems, and five individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Agriculture, Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that increasing local food production in Hawaii strengthens food self-sufficiency and security, keeps more money in the local economy, and protects the State's environment.

Your Committee has amended this measure by:

(1) Removing the task force and instead amending Act 151, Session Laws of Hawaii 2019, to require the Department of Agriculture, in cooperation with the Office of the Governor, to identify the top ten fruit and vegetable imports to the State that may be commercially grown by farmers in Hawaii and make recommendations on increasing production of those fruits and vegetables;

(2) Removing the agricultural import replacement tax credit; and

(3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 496, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 496, S.D. 2, H.D. 1, and be referred to your Committee on Economic Development.

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

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MARK J. HASHEM, Chair