STAND. COM. REP. NO.

Honolulu, Hawaii FEB 11 , 2025

RE: H.B. No. 776 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 776 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL SUPPORT,"

begs leave to report as follows:

The purpose of this measure is to establish the Hawaii Agricultural Transportation Assistance Program, to consist of a reimbursement program and grant program, to assist certain farmers and livestock producers with transportation costs for agricultural products, inputs, supplies, and production and distribution of agricultural commodities.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawai'i Farmers Union; Watanabe Floral, Inc.; Hawaii Cattlemen's Council; Hawai'i Food+ Policy; Molokai Farm Bureau; and Hawai'i Island Chamber of Commerce. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii's geographic isolation and inter-island transport limitations create significant challenges for farmers, ranchers, floriculturists, and food producers, particularly due to high transportation costs. Additionally, shipping expenses impact the import of essential agricultural supplies and the export of locally grown products, making it

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difficult for local producers to compete in broader markets. By establishing the Hawaii Agricultural Transportation Assistance Program, this measure will improve market access, enhance food security, and promote a more sustainable and resilient agricultural economy for Hawaii.

Your Committee has amended this measure by:

- Clarifying the definition of "geographically disadvantaged farmer or livestock producer";
- (2) Changing the maximum reimbursement amount to an unspecified amount;
- (3) Include food hubs as an entity eligible to receive a grant under the Agricultural Transportation Grant Program;
- (4) Inserting language that appropriates an unspecified sum of funds into and out of the Hawaii Agricultural Transportation Assistance Special Fund;
- (5) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider a maximum reimbursement amount of \$8,000 for a single applicant in a single year who participates in the Agricultural Transportation Reimbursement Program.

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. 776, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 776, H.D. 1, and be referred to your Committee on Finance.

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

KAHALOA, hair RSTIN C

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State of Hawaii

House of Representatives The Thirty-third Legislature

## Record of Votes of the Committee on Agriculture & Food Systems

Bill/Resolution No.:	Committe	ee Referral:	Date	2/7/202	_\$
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold   Pass short form bill with HD to recommit for future public hearing (recommit)					
AGR Members		Ayes	Ayes (WR)	Nays	Excused
1. KAHALOA, Kirstin (C)		X			
2. KUSCH, Matthias (VC	2)				
3. LOWEN, Nicole E.		<u>×</u>			
4. PERRUSO, Amy A.					
5. QUINLAN, Sean					
S. QUITINI, Sean					
6. WARD, Gene					X
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TOTAL (6)		5			1
The recommendation is:	Adopted	Not Adopted	1	n I	
	If joint referral,	committee acropym(s)	did not suppor	t recommendation.	
Vice Chair's or designee's signature:					
Distribution:   Original (White) – Committee   Duplicate (Yellow) – Chief Clerk's Office   Duplicate (Pink) – HMSO					