# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

\*HB242 SD2.DOC\*

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The legislature finds that agriculture plays a
2	vital role in Hawaii's efforts to become more self-sustainable.
3	Agriculture not only contributes to the State's economy by
4	providing employment opportunities, products for export, and a
5	stage for tourism, but also performs a public service by helping
6	to perpetuate a rural lifestyle for Hawaii's residents who in
7	turn provide stewardship for Hawaii's lands and water.
8	With the demise of the majority of the plantations that
9	once controlled vast acres of pineapple and sugar cane fields,
10	there is a need to promote the diversification of Hawaii's
11	agriculture industry. Hawaii must also diversify its economic
12	base beyond tourism. A revived and revitalized agriculture
13	industry promises not only to achieve this objective, but will
14	also sustain and stabilize Hawaii's food supply and protect the
15	open space and lifestyle that both residents and visitors value.
16	Currently, Hawaii's agriculture and value-added product
17	industry contributes \$2,400,000,000 to the State's economy and
18	employs more than thirty-eight thousand people. During the past HB242 SD2.DOC *HB242 SD2.DOC*

- 1 twenty years, the value of diversified agriculture in Hawaii has
- 2 more than doubled, reaching a record \$370,900,000 in farm-level
- 3 revenues in 2002.
- 4 The agriculture industry should continue to explore new
- 5 opportunities as prime agricultural land becomes available. At
- 6 present, about one hundred thousand acres of former sugar cane
- 7 and pineapple land--prime agricultural land--lie fallow. Recent
- 8 estimates suggest that if all this land was put to productive
- 9 use through successful agricultural ventures, an additional
- 10 \$1,700,000,000 to \$4,400,000,000 could be infused into the
- 11 State's economy.
- 12 To take advantage of these opportunities, and to provide
- 13 the necessary support for the overall transition of Hawaii's
- 14 agriculture industry from plantation agriculture to diversified
- 15 agriculture, more resources must be directed towards expanding
- 16 the revenue base of farmers and ranchers to ensure their long
- 17 term viability.
- 18 In the 2008 regular session, the legislature recognized
- 19 this need and requested a study entitled, "The Feasibility of
- 20 Constructing a Multipurpose, Multi-user Processing Facility on
- 21 the Land in the Ewa, Central Oahu Area Being Offered to the
- 22 Hawaii Agriculture Research Center, for the Production of Value-

HB242 SD2.DOC

<sup>\*</sup>HB242 SD2.DOC\*

<sup>\*</sup>HB242 SD2.DOC\*

- 1 added Products that Make Use of Locally Grown Agricultural
- 2 Products."
- 3 The study identified the modifications needed on the former
- 4 Del Monte facility to serve farmers and ranchers to increase
- 5 value-added production from locally grown agricultural products.
- 6 Additionally, the former culinary arts facility at the Maui
- 7 community college campus is available for similar use with
- 8 upgrades to its design. Other sites on Kauai and the island of
- 9 Hawaii are also being considered.
- 10 The legislature finds that there are culinary arts programs
- 11 at various community colleges across the state that can provide
- 12 expertise and collaborative opportunities to further the success
- 13 of facilities dedicated to value-added agricultural products.
- 14 The purpose of this Act is to appropriate funds, matched
- 15 dollar-for-dollar by federal funds, in cash, or by in-kind
- 16 donations by the private sector, for the planning, repair, and
- 17 modification of agricultural facilities at the former Del Monte
- 18 operation on Oahu and at Maui Community College.
- 19 SECTION 2. Section 147-1, Hawaii Revised Statutes, is
- 20 amended by amending the definition of "agricultural commodity"
- 21 to read as follows:

<sup>\*</sup>HB242 SD2.DOC\*

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         "Agricultural commodity" means fresh fruits and fresh
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    vegetables of every kind and character, whether or not frozen or
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    packed in ice, whether produced in the State or imported, nuts,
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    and coffee, whether cherry or parchment, or green beans, which
    have been produced in the State, [and] raw unprocessed honey,
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6
    whether produced in the State or imported [-], and live animals
7
    of the bovine, equine, swine, sheep, or goat species, or the
8
    carcass or meat of those species, whether produced in the State
9
    or imported."
10
         SECTION 3. The director of finance is authorized to issue
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    general obligation bonds in the sum of $1 or so much thereof as
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    may be necessary for fiscal year 2009-2010 and the same sum or
13
    so much thereof as may be necessary is appropriated for fiscal
14
    year 2010-2011 for the planning, repair, and modification of the
15
    Del Monte and Maui community college facilities to further the
16
    value-added agricultural industry pursuant to this Act; provided
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    that no funds shall be made available under this Act unless
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    matched dollar-for-dollar in federal funds, in cash, or by in-
19
    kind donations by the private sector.
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         The sums appropriated shall be expended by the department of
21
    agriculture for the purposes of this Act.
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## H.B. NO. H.D. 1 S.D. 2

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect on July 1, 2020.

#### Report Title:

Agriculture; Value-Added Products

### Description:

Appropriates funds, matched dollar-for-dollar by federal funds, in cash, or by in-kind donations by the private sector, for the planning, repair, and modification of agricultural facilities at the former Del Monte operation on Oahu and at Maui Community College. Amends the definition of "agricultural commodity". Effective July 1, 2020. (SD2)