# A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

- 1 SECTION 1. The legislature finds that technology
- 2 applications have greatly assisted farmers with various tasks.
- 3 These cyber tools monitor irrigation systems, mapping, grazing,
- 4 pest management, harvest, weather, and fertilizer applications,
- 5 all in real-time. These sophisticated technologies also have
- 6 additional benefits in material cost, labor, and fuel savings -
- 7 the farmer can refer to electronic files rather than driving out
- 8 to a specific field. Reports show that the technology-savvy
- 9 farmer is able to speed up the decision making cycle and do the
- 10 job much more effectively.
- 11 The legislature further finds that farmers are adopting
- 12 more technology at a rapid pace. Today's farmers carry either a
- 13 tablet and smartphone, or both. Such tools digitize information
- 14 that used to be kept in notebooks; this information can now be
- 15 stored online in a cloud-based system, where it can be shared
- 16 instantly with fellow farmers. Moreover, as the federal
- 17 government moves forward with the FDA Food Safety Modernization
- 18 Act (P.L. 111-353), technological applications will be needed to SB2397 SD2 LRB 14-1531.doc



- 1 assist farmers in tracking crops, including by categories of
- 2 fields, soil types, and irrigation control.
- 3 The legislature also finds that as the State's food needs
- 4 climb, and more farmers set their sights on local food
- 5 production, the risk-taking experienced by farmers will be even
- 6 more critical to the State's goal of achieving food
- 7 sustainability. Agricultural communities, such as Monterey Bay,
- 8 California, and St. Louis, Missouri, have focused on economic
- 9 clusters to aid businesses. The clusters used in these regions
- 10 were focused on agriculture specifically, an agricultural
- 11 technology cluster. The purpose of the clusters was to create a
- 12 hub, sparking innovation and bringing together technology
- 13 entrepreneurs and farmers to keep the agricultural industry
- 14 thriving.
- 15 The legislature additionally finds that Hawaii imports
- 16 about ninety per cent of its food. Challenges such as drought,
- 17 selling produce at lower prices to compete with imported
- 18 products, cost of labor and supplies, and workforce housing have
- 19 squeezed profits hampering business growth or even resulting
- 20 in farmers going out of business. As a result, more farmers are
- 21 looking to technology entrepreneurs to come up with ways to make
- 22 the industry more efficient.

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- 1 The legislature further finds that many farmers looking for 2 an additional source of revenue for their farms have implemented 3 elements of agricultural tourism. Agricultural tourism, or 4 agritourism, is a commercial enterprise at a working farm, 5 ranch, agricultural plant, or park conducted for the enjoyment or education of visitors, which generates supplemental income 7 for the owner. Agritourism can include farm stands or shops, 8 tours, on-farm classes, fairs, festivals, pumpkin patches, 9 Christmas tree farms, weddings, orchard dinners, youth camps, 10 and more. Many growers in the country offer agritourism 11 opportunities to the public as a way of improving a farm's 12 visibility and profitability. For example, in California, 13 agritourism serves as a vital strategy for diversifying and 14 boosting profit for a small but significant number of the 15 state's farms. Since 2008, more than 2,400,000 visitors have 16 participated in agritourism at California farms and ranches, 17 with the state's agritourism operations and economic potential 18 expected to continue to grow. The legislature also finds that in 2012, as a way to save 19 20 an industry, the State purchased and acquired one thousand seven 21 hundred acres of agricultural land from the Galbraith Trust.
  - These lands do not have any infrastructure, storage, or SB2397 SD2 LRB 14-1531.doc



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- 1 warehouse facilities on them. However, former agricultural and
- 2 industrial lands nearby do contain and support such activity.
- 3 These nearby parcels, recently acquired by the State, have
- 4 infrastructure and warehouses to support food safety, packaging,
- 5 processing, and storing produce farmed on the nearby lands.
- 6 Processes and technologies will need to be updated to keep up
- 7 with federal regulations.
- 8 The purpose of this Act is to establish an agricultural
- 9 technology park that can bridge the agricultural and technology
- 10 gap and be used to provide agritourism benefits.
- 11 SECTION 2. Chapter 206M, Hawaii Revised Statutes, is
- 12 amended by adding a new part to be appropriately designated and
- 13 to read as follows:
- 14 "PART . AGRICULTURAL TECHNOLOGY PARK
- 15 §206M- Agricultural technology park; established. There
- 16 is established an agricultural technology park that shall
- 17 include properties identified by the following tax map key
- 18 numbers: 71002004, 71002023, and 71002099. The park shall be
- 19 administered by the board.
- 20 §206M- Objective of the agricultural technology park.
- 21 The objective of the agricultural technology park shall be to
- 22 build relationships and promote collaboration between the

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- 1 agricultural and technology sectors to assist farmers and
- 2 provide them with tools to succeed in the modern world. The
- 3 agricultural technology park shall also be used to:
- 4 (1) Establish a strategy for securing investments in
- 5 agricultural state facilities and providing jobs for
- 6 rural communities; and
- 7 (2) Support agricultural tourism and provide benefits to
- 8 agricultural producers within the agricultural
- 9 technology park, including additional sources of
- 10 revenue and increased public exposure to agricultural
- 11 products.
- 12 §206M- Guidelines. (a) The board shall develop the
- 13 agricultural technology park in consultation with but not
- 14 limited to the following agencies: Hawaii housing finance and
- 15 development corporation, department of agriculture, department
- 16 of education, agribusiness development corporation, and
- 17 University of Hawaii college of tropical agriculture and human
- 18 resources.
- 19 (b) When designing and planning the park, the board and
- 20 the agencies in subsection (a) may enter into cooperative
- 21 agreements with coordinating entrepreneurs or public agencies
- 22 that have the powers, services, and capabilities deemed

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necessary and appropriate for the development and implementation
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    of the business and agricultural development plans.
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          (c) Planning and design of the park shall comply with
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    community and town master plans and urban design plans."
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         SECTION 3. Section 206M-2, Hawaii Revised Statutes, is
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    amended by amending subsection (a) to read as follows:
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               There is established the high technology development
          "(a)
 8
    corporation, which shall be a public body corporate and politic
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    and an instrumentality and agency of the State. The development
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    corporation shall be placed within the department of business,
    economic development, and tourism for administrative purposes,
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12
    pursuant to section 26-35. The purpose of the development
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    corporation shall be to facilitate the growth and development of
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    the commercial high technology industry in Hawaii. Its duties
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    shall include, but not be limited to:
16
         (1)
              Developing and encouraging industrial parks as high
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              technology innovation centers and developing or
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              assisting with the development of projects within or
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              outside of industrial parks, including participating
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              with the private sector in such development;
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Providing financial and other support and services to

Hawaii-based high technology companies;

(2)

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## S.B. NO. 2397 S.D. 2

1	(3)	Collecting and analyzing information on the state of
2		commercial high technology activity in Hawaii;
3	(4)	Promoting and marketing Hawaii as a site for
4		commercial high technology activity; [and]
5	(5)	Providing advice on policy and planning for
6		technology-based economic development [-]; and
7	(6)	Developing an agricultural technology park pursuant to
8		part ."
9	SECTION 4. There is appropriated out of the general	
10	revenues	of the State of Hawaii the sum of \$ or so much
11	thereof as may be necessary for fiscal year 2014-2015 to	
12	establish an agricultural technology park pursuant to this Act.	
13	The sum appropriated shall be expended by the high	
14	technology development corporation for the purposes of this Act.	
15	SECTION 5. Statutory material to be repealed is bracketed	
16	and stricken. New statutory material is underscored.	
17	SECTION 6. This Act shall take effect on July 1, 2050.	

### Report Title:

Economic Development; High Technology Development Corporation; Agricultural Technology Park; Agritourism

#### Description:

Creates an agricultural technology park under the high technology development corporation. Designates certain properties to be included in the park. Makes an appropriation. Effective 7/1/2050. (SD2)

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