

JAN 25 2017

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. Chapter 163D, Hawaii Revised Statutes, is amended by
2 adding a new section to be appropriately designated and to read
3 as follows:

4 "§163D- Grants. (a) There is established in the
5 agribusiness development corporation a grant program to be
6 administered by the corporation to provide financial support for
7 agriculture-related improvements to existing and emerging farms
8 and agribusiness operations.

9 (b) Applications for grants by qualified persons shall
10 include the name of the requesting organization or individual;
11 the public purpose for the grant; the service to be supported by
12 the grant; the target group; and the cost of the grant and the
13 budget. Applications shall be filed with accompanying
14 documentation of project cost as may be required by the
15 corporation for projects developed within the immediately
16 preceding fiscal quarter and shall represent reasonable
17 projections of project costs for the period in which the project
18 is anticipated to commence; provided that the applicant shall:

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- 1 (1) Comply with applicable federal and state laws
2 prohibiting discrimination against any person on the
3 basis of race, color, national origin, religion,
4 creed, sex, age, sexual orientation, or disability;
- 5 (2) Have applied for or received all applicable licenses
6 or permits;
- 7 (3) Indemnify and save harmless the State of Hawaii and
8 its officers, agents, and employees from and against
9 any and all claims arising out of or resulting from
10 activities carried out or projects undertaken with
11 funds provided hereunder, and procure sufficient
12 insurance to provide this indemnification if requested
13 to do so by the corporation; and
- 14 (4) Implement any of the following:
- 15 (A) Agriculture-related projects on an existing farm
16 or agribusiness operation;
- 17 (B) Plans to modernize or expand an existing farm or
18 agribusiness operation;
- 19 (C) Agriculture-related equipment modification or
20 replacement;
- 21 (D) Programs designed to develop new markets or
22 products; or

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1 (E) Farmer and agriculture-related advisory,
2 consultative, training, and educational services,
3 technical assistance, and advice to any person,
4 partnership, or corporation either public or
5 private.

6 (c) Upon award of a grant under this section, the
7 applicant shall submit quarterly reports to the corporation of
8 expenditures made during the quarter, and in the aggregate.
9 Quarterly reports shall identify the particular project cost
10 expended and shall be submitted at the end of each of the
11 applicant's fiscal quarter.

12 (d) The grant may not exceed a total of \$ _____ per
13 qualified person per year."

14 SECTION 2. New statutory material is underscored.

15 SECTION 3. This Act, upon its approval, shall take effect
16 on July 1, 2017.

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INTRODUCED BY: 
BY REQUEST

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Report Title:

Agribusiness Development Corporation; Grants

Description:

Establishes a grant program within chapter 163D, Hawaii Revised Statutes.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Agriculture, Agribusiness Development Corporation

TITLE: A BILL FOR AN ACT RELATING TO AGRICULTURE.

PURPOSE: The purpose of this bill is to establish the Agribusiness Modernization Program to provide financial support for agricultural-related improvements to existing and emerging farms and agribusiness operations.

MEANS: Add a new section to chapter 163D, Hawaii Revised Statutes.

JUSTIFICATION: The Agribusiness Development Corporation (ADC) is an attached agency to the Hawaii Department of Agriculture.

ADC is the State agency tasked with transitioning former plantation land and water systems for diversified agriculture.

The proposed amendment would allow the corporation to make administrative grants and provide financial support to existing and emerging farms and agribusiness operations.

ADC ability to issue grants may assist in agricultural-related improvements such as modernizing existing and emerging agricultural operations, equipment modernization and/or replacement, expanding or scaling-up farm/agribusiness operation, and developing new markets and products.

Impacts on the public: Provide ADC with the ability to make investments to diversify Hawaii's agricultural industry, attract and retain agricultural-related businesses, and

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assist and strengthen local farming operations.

Impact on the department and other agencies:

In addition to providing ADC with another tool to assist the agriculture industry, the ability to issue grants may help foster partnerships to facilitate projects.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: AGR 161

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.