THE SENATE TWENTY-NINTH LEGISLATURE, 2018 STATE OF HAWAII

S.B. NO. 2522

JAN 1 9 2018

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 The purpose of this Act is to provide creative SECTION 1. 2 means of financing for agriculture businesses in Hawaii by: 3 (1)Establishing the agriculture accelerator program to 4 authorize the agribusiness development corporation to 5 provide moneys and invest in existing or new 6 agriculture businesses approved by the board of 7 directors of the agribusiness development corporation 8 in return for equity in those agriculture businesses; 9 and 10 (2) Establishing an agriculture accelerator special fund 11 to provide funds for the agribusiness development 12 corporation to provide moneys to and invest in 13 agriculture businesses under the agriculture 14 accelerator program. 15 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is 16 amended by adding a new section to be appropriately designated

17 and to read as follows:



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1	" <u>§163D-</u> Agriculture accelerator program; special fund.
2	(a) There is established the agriculture accelerator program to
3	be administered by the corporation. The corporation is
4	authorized to provide moneys to existing or new agriculture
5	businesses that engage in farming, aquaculture, or ranching
6	activities in the State in return for one to six per cent equity
7	in the agriculture business; provided that these agriculture
8.	businesses shall be approved by the board. Moneys received by
9	an agriculture business under the program shall be used for the
10	following purposes:
11	(1) Purchasing equipment;
12	(2) Improving energy efficiency;
13	(3) Studying, planning, and constructing a new process and
14	packaging facility;
15	(4) Training in food safety technology;
16	(5) Acquiring branding and marketing support; or
17	(6) Other uses approved by the board.
18	(b) The corporation is authorized to invest in other
19	agriculture businesses under this program in return for equity
20	in the agriculture business; provided that these agriculture
21	businesses shall be approved by the board.



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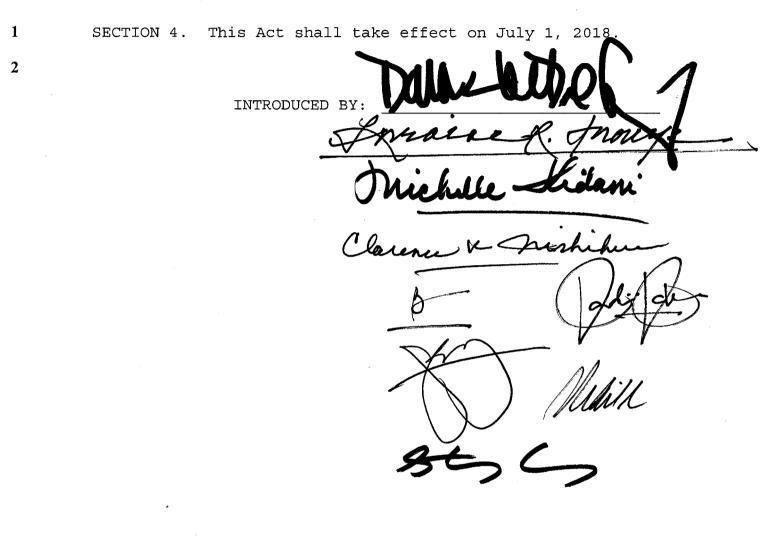
1	(c) There is established within the state treasury the
2	agriculture accelerator special fund. The following moneys
3	shall be deposited into the special fund:
4	(1) Any appropriation by the legislature into the special
5	fund;
6	(2) Any grant or donation made to the special fund; and
7	(3) Any interest earned on the balance of the special
8	fund.
9	Money in the special fund shall be used by the corporation to
10	provide moneys to and invest in existing or new agriculture
11	businesses under the agriculture accelerator program; provided
12	that any moneys deposited into the special fund shall be
13	expended at the sole discretion of the board to assist
14	agriculture businesses that engage in farming, aquaculture, or
15	ranching activities in the State.
16	(d) The board shall adopt rules pursuant to chapter 91 to
17	implement the purposes of this section."
18	SECTION 3. New statutory material is underscored.
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Report Title:

Agriculture; Agribusiness Development Corporation; Special Fund

Description:

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Establishes the agriculture accelerator program to authorize the agribusiness development corporation to provide moneys and invest in existing or new agriculture businesses approved by the board of directors of the ADC in return for equity in those agriculture businesses. Establishes an agriculture accelerator special fund to provide funds for the agribusiness development corporation to provide moneys to and invest in agriculture businesses under the agriculture accelerator program.

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