

**DAVID Y. IGE**  
Governor

**DOUGLAS S. CHIN**  
Lt. Governor



**JAMES J. NAKATANI**  
Executive Director

STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT CORPORATION**

235 S. Beretania Street, Room 205  
Honolulu, HI 96813  
Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF JAMES J. NAKATANI  
EXECUTIVE DIRECTOR  
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON AGRICULTURE

Wednesday, March 21, 2018  
8:45 a.m.

HOUSE CONCURRENT RESOLUTION 224  
REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL  
AUDIT OF THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairperson Creagan and Members of the Committee:

My name is James Nakatani, Executive Director of the Agribusiness Development Corporation ("ADC"). The ADC respectfully opposes House Concurrent Resolution 224 which requests the Auditor to conduct a management and financial audit of the Agribusiness Development Corporation.

The ADC is a State agency attached to the Hawaii Department of Agriculture. It is not like a department or even a division of a department. The agency currently has a staff of four at its main office. Because of its size, in addition to their respective responsibilities, each staff cross-trains and assists each other with whatever action demands their attention on any given day. These four manage and oversee all of ADC's infrastructure improvement and maintenance, research and development projects, and leased lands and dam safety. They prepare for and attend ADC's monthly board meetings and diligently do all things required of them by their board. They conduct ADC's land and asset acquisitions including all due diligence required. ADC does not

have the personnel to accommodate an audit. An audit would be too onerous at this time for an agency the size of ADC due to the amount of time and attention it will require.

Secondly, other measures that require the Auditor to conduct an audit typically include statements and findings of inadequacy or a lack of information followed by the reasons an audit would assist or benefit the legislature or the state, this bill offers no rationale or findings that would prompt an investigation.

Lastly, the ADC is administratively attached to the Hawaii Department of Agriculture and therefore, all financial encumbrances and expenditures are administered and disclosed by the department. For these reasons, the ADC respectfully asks the committee to hold this bill.

Thank you for the opportunity to testify.

**DAVID Y. IGE**  
Governor

**DOUGLAS S. CHIN**  
Lt. Governor



**SCOTT E. ENRIGHT**  
Chairperson, Board of Agriculture

**PHYLLIS SHIMABUKURO-GEISER**  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF SCOTT E. ENRIGHT**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE**

**MARCH 21, 2018**  
**8:45 A.M.**  
**CONFERENCE ROOM 312**

**HOUSE CONCURRENT RESOLUTION NO. 224/HOUSE RESOLUTION NO. 194**  
**REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL**  
**AUDIT OF THE AGRIBUSINESS DEVELOPMENT CORPORATION**

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on HCR 224/HR 194 that requests the State Auditor to conduct a management and financial audit of the Agribusiness Development Corporation (ADC). The Department opposes these resolutions.

The ADC has many responsibilities and needs the time and resources to concentrate on its important work which includes but is not limited to infrastructure improvements and maintenance, research and development opportunities, management of leased land, and land and asset acquisitions and all due diligence required. The attached agency has limited employees to do all this work and an audit would hinder the agency's ability to carry out its important State work.

Thank you for the opportunity to testify on these resolutions.



**HCR-224**

Submitted on: 3/19/2018 2:19:36 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Shannon Rudolph	Individual	Support	No

Comments:

Strongly Support!

**HCR-224**

Submitted on: 3/19/2018 7:32:45 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sylvia Dolena	Pele Lani Farm LLC	Support	No

Comments:

YES I support the audit of ADC !!

Mahalo,

**HCR-224**

Submitted on: 3/19/2018 3:58:36 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Kohn MD	We Are One, Inc. - www.WeAreOne.cc - WAO	Support	No

Comments:

Strongly Support Transparency at all levels.

[www.WeAreOne.cc](http://www.WeAreOne.cc)

**HCR-224**

Submitted on: 3/20/2018 11:12:08 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Valerie Barnes	Sustainable Kohala	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 12:30:33 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
DONNIE BECKER	Individual	Support	Yes

Comments:

WE THE PEOPLE OF HAWAII...

\*\*\*\*DEMAND OVERSIGHT\*\*\*\*\*

INTO THESE POISON PURVEYORS OF ALL THESE DIFFERENT KINDS OF  
DEADLY POISONS...

PLEASE AGREE WITH YOUR HEART AND NOT WITH YOUR HAND OUT.....!!





## Environmental Caucus of the Democratic Party of Hawai'i

March 19, 2018

To: House Committee on Agriculture  
Rep. Richard Creagan, Chair  
Rep. Cindy Evans, Vice Chair

Re: HCR 224, HR 194 – Requesting Auditor to Conduct a Management and Fiscal  
Audit of the Agri-Business Development Corporation

Hearing: Wednesday, March 21, 2018, 8:45 a.m. Room 312

Position: **STRONG SUPPORT**

Aloha Chair Creagan, Vice Chair Evans and Members of the Committee:

The Environmental Caucus of the Democratic Party of Hawai'i is in strong support of HCR 224 and HR 194. The Agri-Business Development Corporation has control of valuable State lands and leases lands at very low rates, with very little oversight, to large biotech corporations.

True Hawai'i food-crop farmers seem not to share in this relationship, while large biotech corporations appear to be benefitting from state-financed infrastructure improvements that facilitate their apparently massive use of restricted and "conventional" pesticide contamination of these public lands. An audit is necessary to cast some greatly needed sunlight on these proceedings.

This is a very important pair of proposals, and they deserve very serious consideration. Thank you very much for the opportunity to testify in their favor.

Alan B. Burdick, Chair  
Environmental Caucus  
[Burdick808@gmail.com](mailto:Burdick808@gmail.com) 486-1018

**HCR-224**

Submitted on: 3/20/2018 2:59:27 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 9:54:39 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Koohan Paik	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 6:23:48 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
bruce corker	Rancho Aloha	Support	No

Comments:

As a Big Island farmer of coffee and avocados, I strongly support this measure to bring accountability and transparency to the Agricultural Development Corporation.

**HCR-224**

Submitted on: 3/19/2018 10:33:23 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robert Culbertson	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 10:42:54 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 11:39:47 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robert Freitas Jr.	Individual	Support	No

Comments:

I totally support this audit to be done!!!

**HCR-224**

Submitted on: 3/19/2018 12:14:45 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Sam Small	Individual	Support	No

Comments:

If any state 'agency' needed an audit - it is THIS one!



**HCR-224**

Submitted on: 3/19/2018 12:36:58 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
A Kathleen Lee	Individual	Support	No

Comments:

Honorable Hawai'i Legislators,

Since this state 'corporation' freely gives out taxpayer money to subsidize biotech corporations for their infrastructure improvements; therefore allows possession by them on public lands, an audit is only prudent. Mahalo to originators; Creagan, Thielen and Evans for for getting this bill presented and to YOU for getting it done as soon as possible!

Urgently submitted,

April Lee; Hawi, HI

**HCR-224**

Submitted on: 3/19/2018 12:51:25 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Jennifer Mather	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 1:17:00 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
sharon	Individual	Support	No

Comments:

Poisoning our keiki!

i suffer Organophosphate/ pestiCIDE Poisoning!

Please find the Truth! Mahalo ʻŌiā

**HCR-224**

Submitted on: 3/19/2018 1:35:15 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Patricia Boland	Individual	Support	No

Comments:

Represent the people not the corporations!

**HCR-224**

Submitted on: 3/19/2018 1:54:50 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susan Collins	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 1:57:19 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tanya Aynessazian	Individual	Support	No

Comments:

I fully support this bill to conduct a management and financial audit of the Agribusiness Development Corporation.

**HCR-224**

Submitted on: 3/19/2018 3:50:20 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Francine Roby	Individual	Support	No

Comments:

I support an audit of ADC. Accountability is critical. Mahalo.

**HCR-224**

Submitted on: 3/19/2018 3:53:23 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
sylvia litchfield	Individual	Support	No

Comments:



**HCR-224**

Submitted on: 3/19/2018 5:28:11 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Rosemary Gonzalez	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 5:29:42 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carlos Gonzalez	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 5:31:04 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Rosaline Sylvester	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 6:24:42 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kallie Barnes	Individual	Support	No

Comments:

I support this measure. We need to keep our local farmers on the land and these corporations need to be checked regularly.

**HCR-224**

Submitted on: 3/19/2018 9:45:17 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robert Petricci	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 9:59:59 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Lacques	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 10:02:04 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
R. Spiegel	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/19/2018 10:10:01 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Barbara Barry	Individual	Support	No

Comments:

Aloha Chair and Committee Members,

Please authorize the Auditor to conduct a Management and Financial Audit of the Agribusiness Development Corporation immediately. This is long overdue.

Mahalo,

Ms. Barbara Barry



**HCR-224**

Submitted on: 3/20/2018 3:16:02 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ramona Hussey	Individual	Support	No

Comments:

I urge you to pass this in the interest of more transparency in our State Government.

**HCR-224**

Submitted on: 3/20/2018 5:45:01 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carol Remington	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 6:57:24 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Walter Ritte	Individual	Support	No

Comments:

My name is Walter Ritte and I am in strong support of HCR 224 and HR194. The ADC has a large impact on faming and land use here in Hawaii. The ADC has been very controversial due to the many negative impacts their support for large scale mono cropping corporations now on our farm lands.

**HCR-224**

Submitted on: 3/20/2018 7:21:56 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Benjamin	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 9:43:37 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Robin Stetson	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 10:20:35 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Blake WAtson	Individual	Support	No

Comments:

Thank you for considering this measure. I am in full support.

**HCR-224**

Submitted on: 3/20/2018 12:01:05 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Eden Peart	Individual	Support	No

Comments:

Support for food sovereignty!

**LATE**

**HCR-224**

Submitted on: 3/20/2018 12:44:19 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Keith Ranney	Individual	Support	No

Comments:



**HCR-224**

Submitted on: 3/20/2018 12:58:20 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Acasio	Individual	Support	No

Comments:

To Representatives,

I support an audit of the Agribusiness Development Corporation.

Sincerely, Laura Acasio

**LATE**

**HCR-224**

Submitted on: 3/20/2018 1:23:18 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Maupin	Individual	Support	No

Comments:

I strongly support this bill!

**LATE**

**HCR-224**

Submitted on: 3/20/2018 1:32:39 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Franz Weber	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 1:39:15 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Edward Aloï	Individual	Support	No

Comments:

# North Shore EVP

A Community Economic Vitality Partnership



67-332 Kaiea Pl.  
Waialua, HI 96791-9501  
808-383-4481  
[www.NSEVP.org](http://www.NSEVP.org)

March 19, 2018

Support for HCR 224: REQUESTING THE AUDITOR TO CONDUCT A MANAGEMENT AND FINANCIAL AUDIT OF THE AGRIBUSINESS DEVELOPMENT CORPORATION.

Dear Chair Creagan, Vice Chair DeCoite and members of the House Committee on Agriculture,

North Shore EVP is a small non-profit working to improve the economic vitality of the North Shore of Oahu. Acting on community feedback, we are working to improve the viability of small farmers in the region by offering Good Agricultural Practices (GAP) certification training, an important first step in accessing new markets and, in alignment with state goals, increasing production from these farms. We have a vested interest in the viability and promotion of agriculture in Hawaii and as such, strongly support this resolution.

Thank you for the opportunity to testify on this important topic.

Kevin Kelly, President

**LATE**

**HCR-224**

Submitted on: 3/20/2018 3:14:17 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Craig	Individual	Support	No

Comments:

**HCR-224**

Submitted on: 3/20/2018 3:17:26 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Briana Hurley	Individual	Support	No

Comments:

**LATE**

**HCR-224**

Submitted on: 3/20/2018 3:46:25 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
joe kassel	Individual	Support	No

Comments:

an audit of ADC is important, the potential for abuse and degradation of public trust lands for the sake of corporate profits looms large, please shine a light on ADC' practices



**HCR-224**

Submitted on: 3/20/2018 3:48:06 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Helmut Klauer	Individual	Support	No

Comments:

**LATE**

**HCR-224**

Submitted on: 3/20/2018 6:08:40 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Neil Vonhof	Individual	Support	No

Comments:

**LATE**

**HCR-224**

Submitted on: 3/20/2018 7:51:50 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dennis F Lokmer	Individual	Support	No

Comments:

None

**HCR-224**

Submitted on: 3/20/2018 8:24:32 PM

Testimony for AGR on 3/21/2018 8:45:00 AM

**LATE**

Submitted By	Organization	Testifier Position	Present at Hearing
Ken Stover	Individual	Support	No

Comments:

**LATE**

**HCR-224**

Submitted on: 3/21/2018 8:12:24 AM

Testimony for AGR on 3/21/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Alu Campagna	Individual	Support	No

Comments: