

**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 RESOLUTION 194  
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 Resolution 194 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.

**HR-194**

Submitted on: 3/19/2018 1:18:11 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>
sharon	GMO Free Hawaiâ€™ <sup>TM</sup> Island	Support	No

Comments:

protect our keiki !

**HR-194**

Submitted on: 3/19/2018 2:22:56 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>
Shannon Rudolph	Individual	Support	No

Comments:

**Strongly Support!!!**

**HR-194**

Submitted on: 3/19/2018 9:54:04 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:

**HR-194**

Submitted on: 3/19/2018 10:32:32 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:

**HR-194**

Submitted on: 3/19/2018 10:42:35 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>
Javier Mendez-Alvarez	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/19/2018 11:28:51 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:

**HR-194**

Submitted on: 3/19/2018 11:38:57 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!!!

**HR-194**

Submitted on: 3/19/2018 12:13:06 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!

**HR-194**

Submitted on: 3/19/2018 12:18:23 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>
DONNIE BECKER	Individual	Support	No

Comments:

The ADC is under the aegis of the Dept. of Ag and is a 'private corporation' mostly filled with place holders & biotech/GMO supporters who lease public ag lands for very little cost to corporations - with little public knowledge or oversight - and more often than not, exclude real Hawai'i farmers from these lands.

WE THE 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.....!!

**HR-194**

Submitted on: 3/19/2018 12:34:10 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>
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 for getting this done as soon as possible!

Urgently submitted,

April Lee; Hawi, HI 96719

**HR-194**

Submitted on: 3/19/2018 12:51:04 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>
Jennifer Mather	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/19/2018 1:27:38 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>
Terez Amato Lindsey	Individual	Support	No

Comments:

Please conduct this audit. Mahalo! Terez Amato, Kihei

**HR-194**

Submitted on: 3/19/2018 1:34:24 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:

**HR-194**

Submitted on: 3/19/2018 1:54:13 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:

**HR-194**

Submitted on: 3/19/2018 1:58:39 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>
Tanya Aynessazian	Individual	Support	No

Comments:

I fully support the completion of a management and financial audit fo the Agribusiness Development Corporation.

**HR-194**

Submitted on: 3/19/2018 3:49:29 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 the audit of the ADC. Accountability is crucial. Mahalo.

**HR-194**

Submitted on: 3/19/2018 3:52:49 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 litchfield	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/19/2018 3:55:51 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>
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)

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.



**HR-194**

Submitted on: 3/19/2018 5:27:46 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:

**HR-194**

Submitted on: 3/19/2018 5:29:20 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>
Carlos Gonzalez	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/19/2018 5:30:48 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:

**HR-194**

Submitted on: 3/19/2018 6:22:53 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:

We need to support small farms and we need to keep these corporations trying to steal up hawaiian land for as cheap as possible in check. Audit this Corporation.

**HR-194**

Submitted on: 3/19/2018 7:29:45 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:

As a small farmer I cannot compete with the big commercial agri businesses. We need ensure FAIR and JUST practices for all and not give easy money to big commercial farms. YES to the audit. Mahalo for introducing this.

**HR-194**

Submitted on: 3/19/2018 8:28:50 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>
Ann Evans	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/19/2018 9:43:36 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:

**HR-194**

Submitted on: 3/19/2018 9:58:53 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:

**HR-194**

Submitted on: 3/19/2018 9:59:28 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:

**HR-194**

Submitted on: 3/19/2018 10:05:00 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,

I strongly support this measure. Please conduct a Management and Financial audit of this Agribusiness Development Corporation immediately! It is long overdue!

Mahalo,

Ms. Barbara Barry

**HR-194**

Submitted on: 3/20/2018 2:58:36 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>
Melodie Aduja	Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

**HR-194**

Submitted on: 3/20/2018 3:14:16 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>
Ramona Hussey	Individual	Support	No

Comments:

I strongly support this in the effort to make our State Government more transparent.

**HR-194**

Submitted on: 3/20/2018 6:20:39 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>
bruce corker	Rancho Aloha	Support	No

Comments:

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

**HR-194**

Submitted on: 3/20/2018 10:18:29 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 of this.

**HR-194**

Submitted on: 3/20/2018 11:11:20 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	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/20/2018 11:59:48 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>
Eden Peart	Individual	Support	No

Comments:

Support for food sovereignty,

**LATE**

**HR-194**

Submitted on: 3/20/2018 12:43:56 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>
Keith Ranney	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/20/2018 12:56:33 PM

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

**LATE**

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

Comments:

To Representative,

I support an audit of the Agribusiness Development Corporation.

Sincerely, Laura Acasio

**LATE**

**HR-194**

Submitted on: 3/20/2018 1:21:26 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>
Margaret Maupin	Individual	Support	No

Comments:

It is very important that this happens since there are large users of toxic restricted use pesticides on Kauai. Please audit to be sure laws are being followed, people are being protected and resources are being used and reported honestly and responsibly

**LATE**

**HR-194**

Submitted on: 3/20/2018 1:31:43 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>
Franz Weber	Individual	Support	No

Comments:

# North Shore EVP

A Community Economic Vitality Partnership

**LATE**

67-332 Kaiea Pl.  
Waialua, HI 96791-9501  
808-383-4481  
www.NSEVP.org

March 19, 2018

Support for HR194: 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**

**HR-194**

Submitted on: 3/20/2018 3:13:47 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>
Thomas Craig	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/20/2018 3:16:57 PM

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

**LATE**

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

Comments:

**LATE**

**HR-194**

Submitted on: 3/20/2018 3:47:12 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>
Helmut Klauer	Individual	Support	No

Comments:

**HR-194**

Submitted on: 3/20/2018 5:41:52 PM

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

**LATE**

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

Comments:

**HR-194**

Submitted on: 3/20/2018 6:07:30 PM

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

**LATE**

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

Comments:

**LATE**

**HR-194**

Submitted on: 3/20/2018 7:48:50 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>
irene plunkett	HFUU	Support	No

Comments:

I Support Bill HR194, Thank you kindly

**HR-194**

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

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

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Dennis F Lokmer	Individual	Support	No

Comments:

None

**LATE**

**HR-194**

Submitted on: 3/20/2018 8:24:12 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>
Ken Stover	Individual	Support	No

Comments:

**LATE**

**HR-194**

Submitted on: 3/21/2018 5:36:22 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>
Suellen Barton	Individual	Support	No

Comments:

**LATE**

**HR-194**

Submitted on: 3/21/2018 7:29:46 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>
Barbara Best	Individual	Support	No

Comments: