STAND, COM, REP. NO.

Honolulu, Hawaii

FEB 1 1 2019

S.B. No. 1359 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 1359 entitled:

"A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION, "

begs leave to report as follows:

The purpose and intent of this measure is to require and appropriate funds for the Department of Agriculture to conduct a management and financial audit of the Agribusiness Development Corporation.

Your Committee received testimony in support of this measure from eleven individuals. Your Committee received comments on this measure from the Agribusiness Development Corporation; Office of the Auditor; Department of Agriculture; We Are One, Inc.; Hawai'i Alliance for Progressive Action; Momilani Farm; and seventeen individuals.

Your Committee finds that auditing the Agribusiness Development Corporation would provide greater transparency to the public and help ensure that monies appropriated by the Legislature to the Agribusiness Development Corporation align with the regulations and parameters attached to those funds.

Your Committee notes that there is controversy over whether the Department of Agriculture or the State Auditor should conduct



the management and financial audit of the Agribusiness Development Corporation. Your Committee respectfully requests your Committee on Ways and Means to consider the recommendations in the State Auditor's testimony.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for the Department of Agriculture to conduct a management and financial audit of the Agribusiness Development Corporation; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1359, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment,

'MIKE GABBARD, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee		Dat		
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The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)		×			
RUDERMAN, Russell E. (VC)		X			
RHOADS, Karl		\sim			
THIELEN, Laura H.		\times			
FEVELLA, Kurt		'X			
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TOTAL		5	0	0	0
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes