STAND. COM. REP. NO. 1426

Honolulu, Hawaii

MAR 19 , 2019

RE: S.B. No. 1436

S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committees on Agriculture and Economic Development & Business, to which was referred S.B. No. 1436, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

beg leave to report as follows:

The purpose of this measure is to revitalize the agricultural sector of Hawaii's economy through agricultural technology by:

- (1) Requiring the Department of Agriculture (DOA) to conduct a study on the feasibility of authorizing DOA to establish and designate agricultural technology zones, specifically in the Kalihi-Palama, Kakaako, Moanalua, and Waianae coast areas and report its findings and recommendations, including proposed legislation, to the Legislature prior to the convening of the Regular Session of 2020; and
- (2) Appropriating funds to DOA to conduct the feasibility study.

The Hawaii State Teachers Association, MetroGrow Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i supported this measure. DOA, University of Hawai'i at Manoa College of Tropical Agriculture and Human

Resources (UH), and a concerned individual submitted comments on this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committees note that, while DOA is supportive of all forms of agricultural production, including small-scale niche operations, it is concerned that the scope of the feasibility study will tax its already limited departmental resources in fulfilling its duties and responsibilities.

The testimony of UH recognizes the many benefits and advantages of growing food under controlled conditions. Its testimony also points out the difficulties that will be encountered, including, the high cost of land, rents, and energy in Hawaii; obtaining the necessary capital investment; and determining the appropriate scale of the operation and the breakeven point to generate a profit. Further, the estimates of the current status of individual food imports must be refined to contribute to the selection of crops that should be subjected to the agricultural technology contemplated by the feasibility study. UH concludes that at this point in time, the feasibility study approach to assessing the potential contribution of urban agricultural technology to reach Hawaii's food security goal is appropriate.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1436, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1436, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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Respectfully submitted on behalf of the members of the Committees on Agriculture and Economic Development & Business,

ANGUS L.K. McKELVEY, Chair

RICHARD P. CREAGAN, Chair

State of Hawaii

House of Representatives
The THIRTIETH Legislature

HOUSE OF REPRESENTATION HO

Record of Votes of the Committee on Agriculture

Bill/Resolution No.: Committee SB 1436, SDV A6R	Referral:	FIN Date					
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
AGR Members	Ayes	Ayes (WR)	Nays	Excused			
1. CREAGAN, Richard P. (C)							
2. DeCOITE, Lynn (VC)							
3. CABANILLA ARAKAWA, Rida			Tallya o so social pri				
4. CACHOLA, Romy M.							
5 HOLT Dowiel							
5. HOLT, Daniel							
6. ONISHI, Richard H.K.							
o. Ortisti, Renard II.X.							
7. PERRUSO, Amy A.				A CONTRACTOR			
8. OKIMOTO, Val	V			<u> </u>			
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The recommendation is: Adopted	□ Not Adopte						
If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

State of Hawaii



Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: SB1436 SD2	Committee Referra	!: 3, FIN	Date: 3/13/	119		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
EDB Members	Ay	ves Ayes (W	/R) Nays	Excused		
1. McKELVEY, Angus L.K. (C)	1	/				
2. KITAGAWA, Lisa (VC)		/				
3. ELI, Stacelynn K.M.						
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4. ICHIYAMA, Linda	V					
5. JOHANSON, Aaron Ling						
6. QUINLAN, Sean	14 FT 15 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					
7. YAMASHITA, Kyle T.						
S. MATCHMOTO I						
8. MATSUMOTO, Lauren						
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TOTAL (8)		γ	Ø			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						