STAND. COM. REP. NO. 724

Honolulu, Hawaii FEB 08 / 2024

RE: H.B. No. 2737 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 2737 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to amend the authorized activities and uses in agricultural districts to prohibit roadside stands from displaying and selling value-added products and establish a minimum percentage of agricultural products that must be produced on the property in order to be offered for sale at certain retail agricultural-based commercial operations.

Your Committee received testimony in support of this measure from Hawaii's Thousand Friends; Hui o Kamananui; and Keep the North Shore Country. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that agricultural-based commercial operations in agricultural districts allow for the display and sale of agricultural products grown in the State and value-added products that were produced using agricultural products grown in the State. However, multiple businesses claiming to be agricultural-based commercial operations are not accessory to agricultural operations on the property where they are located and essentially are operating as retail operations on agricultural

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lands along busy highways. Addressing this issue is critical in supporting local agriculture and ensuring that unauthorized activities in agricultural districts are deterred.

Your Committee has amended this measure by:

- Deleting its contents and inserting language that requires the Department of Agriculture, in consultation with other state agencies, to:
  - (A) Conduct a feasibility study on the impact of roadside stands displaying and selling value-added products and the establishment of additional requirements for retail agricultural-based commercial operations; and
  - (B) Submit a report to the Legislature prior to the Regular Session of 2025; and
- (2) Changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2737, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committee on Agriculture & Food Systems,

CEDRIC ASUEGA GATES, Chair



State of Hawaii House of Representatives The Thirty-second Legislature



## Record of Votes of the Committee on Agriculture & Food Systems

Bill/Resolution No.: HB 2.737 Committee AG	ttee Referral: GR, CPL, FIN Date: 2/7/2024			
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. GATES, Cedric Asuega (C)	$\checkmark$			
	/			
2. KAHALOA, Kirstin (VC)	$\checkmark$			
3. COCHRAN, Elle				
	V			
4. LOWEN, Nicole E.	V			
5. PERRUSO, Amy A.	$\checkmark$			
6 WOODSON Instin II				
6. WOODSON, Justin H.	V			
7. WARD, Gene				
	4			
TOTAL (7)	6			
The recommendation is: Adopted D Not Adopted				
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				