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## A BILL FOR AN ACT

RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 163D-2, Hawaii Revised Statutes, is  
2 amended by adding a new definition to be appropriately inserted  
3 and to read as follows:

4           "Agricultural tourism" means commercial activity conducted  
5 on a working farm, or a farming operation as defined in section  
6 165-2, for the enjoyment, education, or involvement of visitors;  
7 provided that the agricultural tourism activity is accessory and  
8 secondary to the principal agricultural use and does not  
9 interfere with surrounding farm operations."

10          SECTION 2. Section 163D-2, Hawaii Revised Statutes, is  
11 amended by amending the definition of "enterprise" to read as  
12 follows:

13          "Enterprise" means a business with its principal place of  
14 business in Hawaii, which is, or proposes to be, engaged in  
15 agricultural crop development, development of new value-added  
16 products, enhancement of existing agricultural commodities, and  
17 the application of existing agricultural appurtenant facilities  
18 to productive uses; provided that the majority of whatever the

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1 corporation produces shall be used for export. "Enterprise"  
2 includes a business engaged in agricultural tourism."

3 SECTION 3. New statutory material is underscored.

4 SECTION 4. This Act shall take effect upon approval.

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INTRODUCED BY: *Nedra K. Mahan*

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BY REQUEST

JAN 21 2025

# H.B. NO. 1006

**Report Title:**

Agribusiness Development Corporation; Enterprise; Definition;  
Agricultural Tourism

**Description:**

Includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

## JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

PURPOSE: To include agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

MEANS: Add a new definition to section 163D-2, Hawaii Revised Statutes (HRS) and amend the definition of "enterprise" in section 163D-2, HRS.

JUSTIFICATION: Agricultural tourism is a powerful direct-marketing strategy that strengthens consumer transparency and helps reconstruct the relationship between consumers and food, while being economically beneficial for local producers. This bill would allow the use of the funds in the Hawaii Agricultural Development Revolving Fund for the financial support of farming businesses engaged in agricultural tourism.

Impact on the public: The promotion of agricultural tourism in the State will foster greater transparency in food consumption for consumers while allowing farmers to capitalize on alternative revenue streams to bolster their main responsibility of food production.

Impact on the department and other agencies:  
None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: BED-170.

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OTHER AFFECTED  
AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.