

JAN 23 2025

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: *Am N. G.*

7

BY REQUEST

S.B. NO. 1325

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.