

---

---

# A BILL FOR AN ACT

RELATING TO AGRICULTURAL GRANT ADMINISTRATION.

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

1           SECTION 1. The legislature finds that federal agricultural  
2 grants provide financial support to Hawaii's agricultural  
3 industry. The department of agriculture and biosecurity  
4 actively pursues these federal grants and has recently hired a  
5 grant writer, whose efforts have yielded great results. Since  
6 November 2024, \$8,899,450.16 in federal grant funds have been  
7 obtained from the United States Department of Agriculture and  
8 another \$5,285,000 in grants have applications in process. Many  
9 of the federal grants being pursued by the department provide  
10 for indirect overhead reimbursements or an allowable management  
11 fee to reimburse the State for costs associated with management  
12 of certain federal grants.

13           The legislature further finds that the establishment of a  
14 formal agricultural grant program and a revolving fund would  
15 allow the department of agriculture and biosecurity to retain  
16 these funds and cover a portion of the program costs. Funds  
17 from the revolving fund would be used to search for additional



1 grant opportunities, develop program applications to monitor  
2 grant execution, ensure compliance with grant requirements, and  
3 audit grant expenditures. Moneys in the fund will also be used  
4 for consultant services and operational expenses.

5 The purpose of this Act is to establish an agricultural  
6 grant program in the department of agriculture and biosecurity  
7 and an agricultural grant revolving fund.

8 SECTION 2. Chapter 141, Hawaii Revised Statutes, is  
9 amended by adding two new sections to part I to be appropriately  
10 designated and to read as follows:

11 **"§141-A Agricultural grant program; established. (a)**

12 There is established in the department of agriculture and  
13 biosecurity an agricultural grant program to search for, apply  
14 for, and administer federal agricultural grant opportunities  
15 that could benefit the Hawaii agricultural industry.

16 (b) The department of agriculture and biosecurity may  
17 retain and expend federal indirect overhead reimbursements for  
18 grants as determined by the chairperson of the board of  
19 agriculture and biosecurity.

20 **§141-B Agricultural grant revolving fund. (a) There is**

21 established in the state treasury an agricultural grant



1 revolving fund into which shall be deposited the department of  
2 agriculture and biosecurity's share of federal indirect overhead  
3 reimbursements, pursuant to section 141-A.

4 (b) Moneys in the agricultural grant revolving fund shall  
5 be expended by the department of agriculture and biosecurity to  
6 search for discretionary grants, develop program applications to  
7 secure additional revenues for the department of agriculture and  
8 biosecurity, monitor grant execution, ensure compliance with  
9 grant requirements, and audit grant expenditures. Moneys in the  
10 revolving fund may be expended for consultant services and  
11 operational expenses, including the hiring of temporary staff.

12 (c) The department of agriculture and biosecurity shall  
13 prepare and submit an annual report on the status of the  
14 agricultural grant revolving fund to the legislature no later  
15 than twenty days prior to the convening of each regular session.  
16 The annual report shall include but not be limited to a list of  
17 federal agricultural grant applications submitted and grant  
18 awards received."

19 SECTION 3. In codifying the new sections added by section  
20 2 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating  
2 the new sections in this Act.

3 SECTION 4. New statutory material is underscored.

4 SECTION 5. This Act shall take effect on July 1, 2026.



**Report Title:**

DAB; Agricultural Grant Program; Revolving Fund; Annual Report

**Description:**

Establishes the Agricultural Grant Program and Agricultural Grant Revolving Fund to allow the Department of Agriculture and Biosecurity to retain and expend federal indirect overhead reimbursements for the purposes of grant searching, application, execution, reporting, and auditing. (CD1)

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

