

A Bill for an Act Making an Appropriation for Agricultural Research and Development.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that agriculture is one of the State's most important industries and a vital component of the State's economic base. The legislature also finds that Hawaii's agriculture industry has become increasingly diverse with new economic opportunities as the sugar and pineapple industries have become smaller. Although the sugar and pineapple industries no longer predominate the agriculture industry, they remain among the leading producers of tangible exports and will continue to be important contributors to Hawaii's diversified agriculture industry. To maximize the opportunities for maintaining and expanding the agriculture industry and to take best advantage of the thousands of acres of prime farm land formerly in sugarcane, production-driven research is paramount.

The legislature further finds that the Hawaii Agriculture Research Center (formerly, Hawaiian Sugar Planters' Association) has effectively filled this research role for the sugar industry for more than a century. The Hawaii Agriculture Research Center (HARC) serves as a model of private-public partnerships for agricultural research and, further, it effectively joins with the University of Hawaii college of tropical agriculture and human resources in facilitating agricultural technology transfer and in maximizing the use of limited community resources. Most of HARC's funding comes from the private sector, which increases the returns on the State's funding, benefitting farm production and the local economy.

The legislature also finds that HARC has been directing its research primarily to crops that have received direct financial support such as coffee, papaya, sugarcane, and forestry. HARC seeks to help increase commercial production through crop improvement programs focusing on improving cultural practices and producing superior planting material through plant breeding and selection. Agricultural research at HARC will continue to be a key resource in the State's efforts to strengthen and improve the agriculture industry, revitalize the economy, and maintain and create employment opportunities for residents, especially in rural areas.

The purpose of this Act is to provide the necessary funds to assist in maintaining current minimum levels of agricultural research at HARC.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$750,000 or so much thereof as may be necessary for fiscal year 1998-1999 for agricultural research and development to be performed by the Hawaii Agriculture Research Center; provided that:

- (1) No research funds for specific agricultural commodities with annual statewide crop sales of \$20,000,000 or greater, based on the most recent statistics available from the department of agriculture, shall be expended unless matched on a dollar-for-dollar basis;
- (2) No funds for agricultural research for other agricultural commodities shall be expended unless matched on the basis of \$3 from the State for each dollar from the private sector; and
- (3) Except that up to \$200,000 per year may be released unmatched for nonsugarcane-related agricultural research, development, and services.

SECTION 3. The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 1998.

(Approved July 20, 1998.)