
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. The agribusiness development corporation is the
2 State's primary agency with respect to assisting and supporting
3 our agricultural businesses. Section 163D-1, Hawaii Revised
4 Statutes, describes the purpose of the corporation as conceived
5 by the legislature. It reads, in part:

6 *"Constantly evolving economies require an aggressive and*
7 *dynamic leadership for the promotion and development of*
8 *agricultural enterprises, and centralized leadership to*
9 *coordinate industry development, provide industry-wide services,*
10 *provide marketing assistance, and facilitate investments and*
11 *coventures in viable enterprises.*

12 *The purpose of this chapter is to create a vehicle and*
13 *process to make optimal use of agricultural assets for the*
14 *economic, environmental, and social benefit of the people of*
15 *Hawaii. This chapter establishes a public corporation to*
16 *administer an aggressive and dynamic agribusiness development*
17 *program. The corporation shall coordinate and administer*
18 *programs to assist agricultural enterprises to facilitate the*



1 transition of agricultural infrastructure from plantation
2 operations into other agricultural enterprises, to carry on the
3 marketing analysis to direct agricultural industry evolution,
4 and to provide the leadership for the development, financing,
5 improvement, or enhancement of agricultural enterprises."

6 The legislature finds that the board of the agribusiness
7 development corporation may be improved by requiring the
8 inclusion of members with expertise in areas such as wholesale,
9 retail, and distribution; packaging and processing;
10 transportation and shipping; and venture capital. These
11 industries have an important role to play in ensuring the future
12 survivability of Hawaii's agricultural industry.

13 The purpose of this Act is to improve the effectiveness and
14 leadership of the agribusiness development corporation by
15 requiring that at least four members of the board of the
16 agribusiness development corporation have knowledge, experience,
17 and expertise within the fields of retail, wholesale, and
18 distribution involving agricultural products; packaging and
19 processing of agricultural products; transportation and shipping
20 of agricultural products; or venture capital involving
21 agricultural businesses. It is further the purpose of this Act
22 to require the agribusiness development corporation to develop a



1 five-year strategic plan to be presented to the legislature
2 prior to the 2009 regular session.

3 SECTION 2. Section 163D-3, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 "(b) The board of directors of the corporation shall
6 consist of eleven voting members, of whom eight shall be
7 appointed by the governor. The terms of these eight members
8 shall be four years; provided that, commencing on July 1, 2005,
9 the governor shall reduce the terms of those initially appointed
10 so as to provide, as nearly as can be, for the expiration of an
11 equal number of terms at intervals of one year. The eight
12 members shall be selected on the basis of their knowledge,
13 experience, and proven expertise in small and large businesses
14 within the agricultural industry, agricultural economics,
15 banking, real estate, finance, promotion, marketing, and
16 management[-]; provided that at least four of the eight members
17 shall also have knowledge, experience, and expertise within the
18 fields of retail, wholesale, and distribution involving
19 agricultural products; packaging and processing of agricultural
20 products; transportation and shipping of agricultural products;
21 or venture capital involving agricultural businesses. Of these
22 eight members, one shall be from the city and county of



1 Honolulu, one shall be from the county of Hawaii, one shall be
2 from the county of Maui, one shall be from the county of Kauai,
3 and four shall be appointed at-large. The director of business,
4 economic development, and tourism; the chairperson of the board
5 of agriculture; and the chairperson of the board of land and
6 natural resources, or their designated representatives, shall be
7 ex-officio, voting members of the board. All members shall
8 continue in office until their respective successors have been
9 appointed and qualified. The board shall annually elect its
10 chairperson from among its members; provided that the
11 chairperson shall not be an ex-officio member."

12 SECTION 3. The agribusiness development corporation shall
13 complete a five year strategic plan which shall include the
14 expansion of its operations from water and land projects to
15 include those issues identified in section 163D-1, Hawaii
16 Revised Statutes. The strategic plan shall include, but not be
17 limited to, identification and discussion of personnel and
18 funding needs, new project areas such as marketing and
19 agricultural enterprise development, proposed benchmarks and
20 time lines for implementation, and recommendations for changes
21 to the composition of the agribusiness development corporation



1 board to better achieve the goals set forth in the strategic
2 plan.

3 The strategic plan shall be submitted to the legislature by
4 no later than twenty days prior to the convening of 2009 regular
5 session.

6 SECTION 4. All acts passed prior to or during this regular
7 session of 2008, whether enacted before or after passage of this
8 Act, shall be interpreted to conform to this Act, unless the
9 acts specifically provide that this Act is being amended.
10 Insofar as this Act is inconsistent with any other law, this Act
11 shall control.

12 SECTION 5. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 6. This Act shall take effect upon its approval;
15 provided that the amendment to section 163D-3(b), Hawaii Revised
16 Statutes, requiring at least four members of the board of
17 directors of the agribusiness development corporation to have
18 certain specified knowledge, experience, and expertise, shall be
19 effective upon the next appointment and subsequent appointments
20 until the composition of the board complies with this Act.



Report Title:

Agribusiness Development Corporation; Board of Directors;
Strategic Plan

Description:

Requires at least four of the eight members of the Board of the Agribusiness Development Corporation to have knowledge, experience, and expertise within certain secondary industries related to agriculture. Requires the agribusiness development corporation to develop a five year strategic plan to be presented to the legislature prior to the 2009 Regular Session.
(SD1)

