

JAN 19 2018

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. The purpose of this Act is to provide creative
2 means of financing for agriculture businesses in Hawaii by:

3 (1) Establishing the agriculture accelerator program to
4 authorize the agribusiness development corporation to
5 provide moneys and invest in existing or new
6 agriculture businesses approved by the board of
7 directors of the agribusiness development corporation
8 in return for equity in those agriculture businesses;
9 and

10 (2) Establishing an agriculture accelerator special fund
11 to provide funds for the agribusiness development
12 corporation to provide moneys to and invest in
13 agriculture businesses under the agriculture
14 accelerator program.

15 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:



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1 "§163D- Agriculture accelerator program; special fund.

2 (a) There is established the agriculture accelerator program to
3 be administered by the corporation. The corporation is
4 authorized to provide moneys to existing or new agriculture
5 businesses that engage in farming, aquaculture, or ranching
6 activities in the State in return for one to six per cent equity
7 in the agriculture business; provided that these agriculture
8 businesses shall be approved by the board. Moneys received by
9 an agriculture business under the program shall be used for the
10 following purposes:

- 11 (1) Purchasing equipment;
- 12 (2) Improving energy efficiency;
- 13 (3) Studying, planning, and constructing a new process and
14 packaging facility;
- 15 (4) Training in food safety technology;
- 16 (5) Acquiring branding and marketing support; or
- 17 (6) Other uses approved by the board.

18 (b) The corporation is authorized to invest in other
19 agriculture businesses under this program in return for equity
20 in the agriculture business; provided that these agriculture
21 businesses shall be approved by the board.



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1 (c) There is established within the state treasury the
2 agriculture accelerator special fund. The following moneys
3 shall be deposited into the special fund:

4 (1) Any appropriation by the legislature into the special
5 fund;

6 (2) Any grant or donation made to the special fund; and

7 (3) Any interest earned on the balance of the special
8 fund.

9 Money in the special fund shall be used by the corporation to
10 provide moneys to and invest in existing or new agriculture
11 businesses under the agriculture accelerator program; provided
12 that any moneys deposited into the special fund shall be
13 expended at the sole discretion of the board to assist
14 agriculture businesses that engage in farming, aquaculture, or
15 ranching activities in the State.

16 (d) The board shall adopt rules pursuant to chapter 91 to
17 implement the purposes of this section."

18 SECTION 3. New statutory material is underscored.

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1 SECTION 4. This Act shall take effect on July 1, 2018.

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INTRODUCED BY:

Dana Keith
Spencer R. Jones
Michelle Sidani
Clarence V. Fishburn
[Signature] *[Signature]*
[Signature] *[Signature]*
[Signature] *[Signature]*

S.B. NO. 2522

Report Title:

Agriculture; Agribusiness Development Corporation; Special Fund

Description:

Establishes the agriculture accelerator program to authorize the agribusiness development corporation to provide moneys and invest in existing or new agriculture businesses approved by the board of directors of the ADC in return for equity in those agriculture businesses. Establishes an agriculture accelerator special fund to provide funds for the agribusiness development corporation to provide moneys to and invest in agriculture businesses under the agriculture accelerator program.

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