



EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

April 26, 2019

**GOV. MSG. NO. 1129**

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on April 26, 2019, the following bill was signed into law:

HB1561 HD1 SD2

RELATING TO AGRIBUSINESS DEVELOPMENT  
**ACT 028 (19)**

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai'i

# A BILL FOR AN ACT

RELATING TO AGRIBUSINESS DEVELOPMENT.

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

**PART I. GENERAL PROVISIONS**

SECTION 1. The purpose of parts I, II, and III of this Act is to establish the operating budget for the fiscal biennium beginning July 1, 2019, and ending June 30, 2021, for state executive branch programs.

SECTION 2. DEFINITIONS. Unless otherwise clear from the context, as used in parts I, II, and III:

"Expending agency" means the department of agriculture.

Abbreviations, where used to denote the expending agency, shall mean the following:

AGR Department of agriculture

"Means of financing" or "MOF" means the source from which funds are appropriated or authorized to be expended for the programs and projects specified in parts I, II, and III. All appropriations are followed by letter symbols. The letter symbols, where used, shall have the following meanings:

A General funds



1 B Special funds

2 W Revolving funds

3 "Position ceiling" means the maximum number of permanent  
4 and temporary full-time equivalent positions authorized for a  
5 particular program during a specified period or periods, as  
6 denoted by an asterisk for permanent full-time equivalent  
7 positions and a pound sign for temporary full-time equivalent  
8 positions.

9 "Program ID" means the unique identifier for the specific  
10 program and consists of the abbreviation for the organization  
11 responsible for carrying out the program followed by the  
12 organization number for the program.

13 **PART II. PROGRAM APPROPRIATIONS**

14 SECTION 3. APPROPRIATIONS. The following sums, or so much  
15 thereof as may be sufficient to accomplish the purposes and  
16 programs designated herein, are hereby appropriated or  
17 authorized, as the case may be, from the means of financing  
18 specified to the expending agencies designated for the fiscal  
19 biennium beginning July 1, 2019, and ending June 30, 2021. The  
20 total expenditures and the number of positions in each fiscal  
21 year of the biennium shall not exceed the sums and the position



- 1 ceilings indicated for each fiscal year, except as provided
- 2 elsewhere in this part or as provided by general law.
- 3



PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2019-2020	M O F	FISCAL YEAR 2020-2021	M O F
1		1. AGR161 - AGRIBUSINESS DEVELOPMENT AND RESEARCH					
2				10.00*		10.00*	
3				2.00#		2.00#	
4		OPERATING	AGR	2,030,293A		930,293A	
5			AGR	500,000B		500,000B	
6				12.00#		12.00#	
7			AGR	4,741,879W		4,544,718W	
8							
9							



1                   **PART III. MISCELLANEOUS BUDGET PROVISIONS**

2           SECTION 4. Provided that any funds appropriated pursuant  
3 to part II shall be included in the base budget of the AGR161 -  
4 agribusiness development and research, as established in the  
5 General Appropriations Act of 2019 (House Bill No. 2, H.D. 1,  
6 S.D. 1, C.D. 1).

7           SECTION 5. Provided that, notwithstanding any provision  
8 contained in the General Appropriations Act of 2019 (House Bill  
9 No. 2, H.D. 1, S.D. 1, C.D. 1) that appropriates funds and  
10 establishes position ceilings, the positions authorized in part  
11 II shall be in addition to the positions authorized for that  
12 program under the General Appropriations Act of 2019; provided  
13 further that any incumbent employee shall retain the employee's:

14           (1) Civil service status, whether permanent or temporary;  
15           and

16           (2) Salary, seniority (except as may be prescribed by an  
17           applicable collective bargaining agreement), retention  
18           points, prior service credit, any vacation and sick  
19           leave credits previously earned, and other rights,  
20           benefits, and privileges, in accordance with state  
21           personnel laws.



1 SECTION 6. Provided that, notwithstanding any law to the  
2 contrary, the position ceilings and funds appropriated in this  
3 Act may be transferred with the approval of the governor to the  
4 General Appropriations Act of 2019 (House Bill No. 2, H.D. 1,  
5 S.D. 1, C.D. 1), for program execution and expenditure.

6 SECTION 7. If any portion of parts I, II, and III or its  
7 application to any person, entity, or circumstance is held to be  
8 invalid for any reason, then the legislature declares that the  
9 remainder of the Act and each and every other provision thereof  
10 shall not be affected thereby. If any portion of a specific  
11 appropriation is held to be invalid for any reason, the  
12 remaining portion shall be expended to fulfill the objective of  
13 the appropriation to the extent possible.

14 SECTION 8. If manifest clerical, typographical, or other  
15 mechanical errors are found in parts I, II, and III, the  
16 governor may correct the errors.

17 **PART IV. STATUTORY PROVISIONS**

18 SECTION 9. Section 163D-19, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "[+]§163D-19[+] **Annual report.** (a) The corporation shall  
21 submit to the governor and the legislature, no later than twenty



1 days prior to the convening of each regular session, a complete  
2 and detailed report of its plans and activities.

3 (b) The following information shall be included in the  
4 annual report and shall be posted on the corporation's website:

5 (1) The number of lots the corporation leased or used, by  
6 size and island;

7 (2) The number of lots the corporation leased or used, by  
8 island, that contain protocols and conditions  
9 supporting specialty farm products;

10 (3) The number of vacant parcels and unoccupied parcels in  
11 the leasing process, by island, including the parcel  
12 size, location, and date the parcel was last occupied  
13 by a tenant; and

14 (4) A description of any lease sales or transfers approved  
15 by the corporation, including:

16 (A) A description of the type of farm products  
17 produced by the transferring lessee and the farm  
18 products to be produced by the accepting lessee  
19 on the leased lands; and

20 (B) The date and description of the transferring  
21 lessee's last lease approved by the corporation."



1                                   **PART V. PERFORMANCE AND FINANCIAL AUDIT**

2           SECTION 10. The auditor shall conduct a performance audit  
3 of the agribusiness development corporation, established  
4 pursuant to chapter 163D, Hawaii Revised Statutes. The auditor  
5 may conduct a financial audit if sufficient funds are available.  
6 The auditor shall submit a report to the legislature of its  
7 findings and recommendations, including any proposed  
8 legislation, no later than twenty days prior to the convening of  
9 the regular session of 2021.

10           SECTION 11. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$100,000 or so much  
12 thereof as may be necessary for fiscal year 2019-2020 for the  
13 office of the auditor to contract with an accounting firm to  
14 conduct a financial audit of the agribusiness development  
15 corporation.

16           The sum appropriated shall be expended by the office of the  
17 auditor for the purposes of this part.

18                                   **PART VI. ENVIRONMENTAL ASSESSMENT AND APPRAISAL**

19           SECTION 12. There is appropriated out of the general  
20 revenues of the State of Hawaii the sum of \$20,000 or so much  
21 thereof as may be necessary for fiscal year 2019-2020 for an



1 environmental assessment and appraisal of the property  
2 identified as TMK (1) 9-2-001:011-0000.

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

5 **PART VII. RAMSEYER PROVISIONS AND EFFECTIVE DATE**

6 SECTION 13. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 14. This Act shall take effect on June 28, 2019.

APPROVED this 26 day of APR, 2019



GOVERNOR OF THE STATE OF HAWAII



HB No. 1561, HD 1, SD 2

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 11, 2019  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.

  
for Scott K. Saiki  
Speaker  
House of Representatives

  
Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI'I**

Date: April 9, 2019  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019.

  
President of the Senate

  
Clerk of the Senate