
A BILL FOR AN ACT

RELATING TO AGRIBUSINESS DEVELOPMENT.

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

1 PART I. GENERAL PROVISIONS

2 SECTION 1. The purpose of this part and part II and
3 sections 4 and 5 of this Act are to establish the operating
4 budget for the fiscal biennium beginning July 1, 2019, and
5 ending June 30, 2021, for state executive branch programs.

6 SECTION 2. DEFINITIONS. Unless otherwise clear from the
7 context, as used in this part and part II and sections 4 and 5:

8 "Expending agency" means the department of agriculture.

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

11 AGR Department of Agriculture.

12 "Means of financing" or "MOF" means the source from which
13 funds are appropriated or authorized to be expended for the
14 programs and projects specified in parts I and II and sections 4
15 and 5. All appropriations are followed by letter symbols. The
16 letter symbols, where used, shall have the following meanings:

17 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
4							
5		AGR - AGRICULTURE					
6		1. AGR161 - AGRIBUSINESS DEVELOPMENT AND RESEARCH					
7				2.00#		2.00#	
8		OPERATING	AGR	150,293A		150,293A	
9			AGR	500,000B		500,000B	
10				12.00#		12.00#	
11			AGR	4,112,279W		4,115,118W	
12							

13

PART III. MISCELLANEOUS

14 SECTION 4. If any portion of parts I and II and this
15 section and section 5 or its application to any person, entity,
16 or circumstance is held to be invalid for any reason, then the
17 legislature declares that the remainder of the Act and each and
18 every other provision thereof shall not be affected thereby. If
19 any portion of a specific appropriation is held to be invalid
20 for any reason, the remaining portion shall be expended to
21 fulfill the objective of the appropriation to the extent
22 possible.



1 SECTION 5. If manifest clerical, typographical, or other
2 mechanical errors are found in parts I and II and section 4 and
3 this section, the governor may correct the errors.

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

12 SECTION 7. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$125,000 or so much
14 thereof as may be necessary for fiscal year 2019-2020 for the
15 office of the auditor to contract with an accounting firm to
16 conduct a performance audit of the agribusiness development
17 corporation.

18 The sum appropriated shall be expended by the office of the
19 auditor for the purposes of this Act.

20 PART IV. STATUTORY PROVISIONS



1 SECTION 8. Section 163D-19, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+]~~ §163D-19 ~~[+]~~ Annual report. (a) The corporation shall
4 submit to the governor and the legislature, no later than twenty
5 days prior to the convening of each regular session, a complete
6 and detailed report of its plans and activities.

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

- 9 (1) The number of lots the corporation leased or used, by
10 size and island;
- 11 (2) The number of lots the corporation leased or used, by
12 island, that contain protocols and conditions
13 supporting specialty farm products;
- 14 (3) The number of vacant parcels and unoccupied parcels in
15 the leasing process, by island, including the parcel
16 size, location, and date the parcel was last occupied
17 by a tenant; and
- 18 (4) A description of any lease sales or transfers approved
19 by the corporation, including:
- 20 (A) A description of the type of farm products
21 produced by the transferring lessee and the farm



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."



PART V. PERFORMANCE AND FINANCIAL AUDIT

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

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

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

PART VI. ENVIRONMENTAL ASSESSMENT AND APPRAISAL

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



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. RAMSEYERING 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.



Report Title:

Agribusiness Development Corporation; Operating Budget; Audit; Reporting; Appropriation

Description:

Appropriates funds for the fiscal biennium 2019-2021 operating budget of Agribusiness Development Corporation (ADC).
Appropriates funds for and requires the Auditor to contract with an accounting firm to conduct a financial audit of the ADC.
Authorizes the Auditor to conduct a financial audit of the ADC if sufficient funds are available. Requires the ADC to annually report and post on its website specified information. (SD1)

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