
SENATE RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A STUDY TO DETERMINE THE MULTIPLIER EFFECT OF THE AGRICULTURAL INDUSTRY IN HAWAII'S ECONOMY.

1 WHEREAS, the common measure of agricultural activities is
2 the farmgate value of agricultural production; and

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4 WHEREAS, using the farmgate value of the sales of
5 agricultural products does not provide an accurate or
6 comprehensive indication of the contribution of the agricultural
7 industry to the economy of the State; and

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9 WHEREAS, while sugarcane production has declined and
10 pineapple production has remained relatively stable, the sales
11 value of diversified agriculture production has increased to
12 make up nearly seventy per cent of total farm production; and

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14 WHEREAS, there is a need for business and government policy
15 makers to have information to determine the multiplier effect of
16 increases or decreases in agricultural production on employment,
17 purchases agricultural inputs, and consumer spending on goods
18 and services; and

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20 WHEREAS, there are mathematical techniques such as IMPLAN,
21 developed by the United States Department of Agriculture, Forest
22 Service, that can be used to measure the multiplier effect of
23 changes in agricultural output in the economy, the impact on
24 household income of new agricultural production, the increase in
25 value-added production resulting from new agricultural
26 production, and the total employment resulting from new
27 agricultural enterprises; now, therefore,

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29 BE IT RESOLVED by the Senate of the Twenty-third
30 Legislature of the State of Hawaii, Regular Session of 2006,
31 that the Auditor is requested to conduct a study, using any of
32 the mathematical techniques that are available, to determine the
33 multiplier effect of Hawaii's agricultural industry on the
34 economy of the State of Hawaii; and



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2 BE IT FURTHER RESOLVED that the Auditor is further
3 requested to submit findings and recommendations, including any
4 proposed legislation, to the Legislature not later than twenty
5 days prior to the convening of the Regular Session of 2007; and

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7 BE IT FURTHER RESOLVED that a certified copy of this
8 Resolution be transmitted to the Auditor.

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OFFERED BY: AS.ITH

