

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 2774
H.D. 1
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred H.B. No. 2774, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds for the Hawaii Farm Bureau Federation to conduct agricultural research and market development.

Testimony in support of this measure was submitted by the Department of Agriculture; the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa; Alexander & Baldwin, Inc.; C&H Farms; Crop Care Hawaii, LLC; Gay & Robinson, Inc.; the Hawaii Agriculture Research Center; the Hawaiian Alliance for Responsible Technology & Science; the Hawaii Aquaculture Association; the Hawaii Cooperative of Organic Farmers; the Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; the Hawaii Papaya Industry Association; Kamiya Gold, Inc.; the Maui County Farm Bureau; Meadow Gold Dairies; the Pineapple Growers Association of Hawaii; Pioneer Hi-Bred International, Inc.; Twin Bridge Farms; and one individual.

Your Committee finds that, although the agriculture industry plays a significant role in Hawaii's economy by providing a stage for tourism, employment opportunities for residents, and products for export, the demise of plantations has left the industry lagging. Your Committee further finds that the absence of



pineapple and sugar plantations has resulted in thousands of acres lying fallow, while recent studies indicate that the land could be utilized for agricultural ventures to add an additional \$1,700,000,000 to \$4,400,000,000 to the State's economy.

Your Committee believes that a diversified agriculture industry within the State is necessary to maximize the opportunities available for prime agricultural farmlands, to strengthen and improve the agriculture industry, to revitalize the economy, and to expand employment opportunities for our residents. Creating a more diversified agriculture industry requires the joint and concerted efforts of key organizations and entities throughout the State, as well as financial support from the State, to conduct agricultural research and market development. Your Committee determines that the Hawaii Farm Bureau Federation represents the interests of the agriculture industry in Hawaii and is an appropriate entity to oversee the research and market development that is necessary for improving Hawaii's agriculture industry.

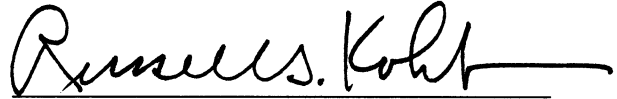
Your Committee has amended this measure by changing the effective date of this measure to July 1, 2006.

Your Committee strongly encourages the Hawaii Farm Bureau Federation to share the research money with all areas of diversified agriculture, including the organic agricultural industry. Your Committee also requests the bureau to report back to the Legislature on how the research money was distributed among all industry parties.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2774, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2774, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Agriculture,



RUSSELL S. KOKUBUN, Chair



