
A BILL FOR AN ACT

RELATING TO AGRICULTURAL COOPERATIVES.

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

1 SECTION 1. The legislature finds that Hawaii's
2 agricultural industry faces an uncertain future. With the
3 demise of large-scale, plantation agriculture, our farmers and
4 ranchers have concentrated their efforts in diversified
5 agricultural endeavors including macadamia nuts, coffee, papaya,
6 and floriculture. Diversified agriculture offers enormous
7 opportunities. However, these smaller-scale industries also
8 present numerous challenges, both from within the state and from
9 competition abroad.

10 The legislature finds that a carefully organized and
11 implemented statewide agricultural cooperative would provide
12 farmers a viable means of overcoming some of the challenges. A
13 statewide agricultural cooperative that includes farmers from
14 the entire range of agricultural industries in Hawaii would
15 represent a powerful force to address the needs of Hawaii's
16 farmers, and would provide much needed assistance in areas like
17 product marketing, distribution, pre-sale agreements, and
18 transportation.



1 The purpose of this Act is to require the department of
2 agriculture to issue a request for proposals to contract for the
3 planning and implementation of a statewide agricultural
4 cooperative.

5 SECTION 2. (a) Pursuant to Chapter 103D, Hawaii Revised
6 Statutes, the department of agriculture shall issue a request
7 for proposal to contract for the planning and implementation of
8 a statewide agricultural cooperative.

9 (b) The entity awarded the contract shall agree to plan
10 and implement a statewide agricultural cooperative that
11 includes, at a minimum, the following:

12 (1) The statewide agricultural cooperative shall be headed
13 by a board of directors; provided that the board of
14 directors includes members representing secondary
15 industries related to agriculture such as retail,
16 wholesale, and distribution; processing and packaging;
17 transportation; banking, finance, and venture capital;
18 business marketing and product development; and
19 renewable energy involving biomass;

20 (2) The statewide agricultural cooperative shall be a
21 voluntary program for agricultural enterprises;
22 provided that those who choose to opt in shall agree



1 to abide by all of the rules and guidelines set forth
2 by the statewide agricultural cooperative; and

3 (3) The statewide agricultural cooperative shall assist
4 and support its members by:

5 (A) Increasing efforts to market and add value for
6 products produced by members;

7 (B) Improving distribution, packaging, and market
8 pricing for products produced by members;

9 (C) Ensuring adequate food safety and quality
10 standards to promote consistent, reliable, and
11 safe products produced by members;

12 (D) Providing cost-effective solutions in addressing
13 issues relating to the transportation of
14 products;

15 (E) Providing technical support to members;

16 (F) Implementing crop coordination to maximize
17 efficiency and meet market demands; and

18 (G) Negotiating pre-sale agreements to ensure a
19 consistent stream of buyers for member products.

20 (c) The entity awarded the contract shall agree to
21 coordinate and consult with the department of business, economic
22 development, and tourism; department of agriculture; University



1 of Hawaii college of tropical agriculture and human resources;
2 Hawaii Farm Bureau Federation; and the Hawaii Agriculture
3 Research Center, in planning and implementing the statewide
4 agricultural cooperative.

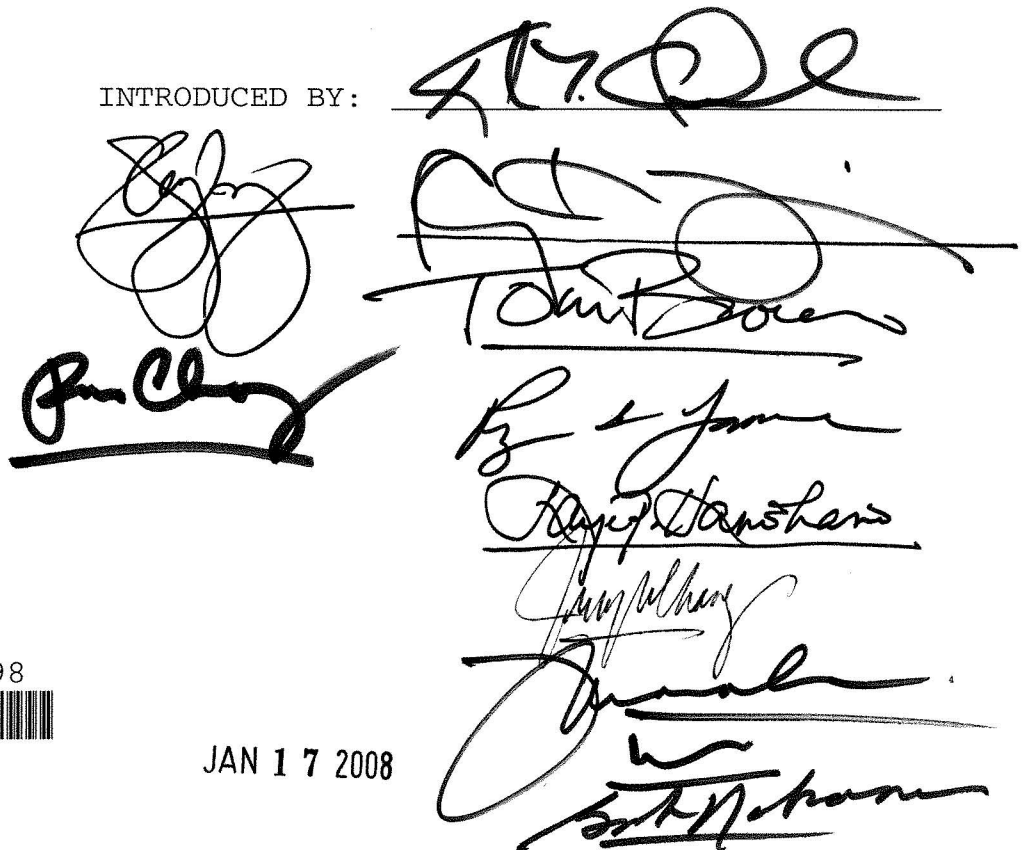
5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$250,000 or so much
7 thereof as may be necessary for fiscal year 2008-2009 for
8 contract costs incurred for the planning and implementation of
9 the statewide agricultural cooperative.

10 The sum appropriated shall be expended by the department of
11 agriculture for the purposes of this Act.

12 SECTION 4. This Act shall take effect upon its approval;
13 provided that section 3 shall take effect on July 1, 2008.

14

INTRODUCED BY:



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Report Title:

Statewide Agricultural Cooperative; Contract

Description:

Appropriates funds to contract for the planning and implementation of a statewide agricultural cooperative.

