

STAND. COM. REP. NO.

72

Honolulu, Hawaii

FEB 08 2007

RE: S.B. No. 1758

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 1758 entitled:

"A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS INCUBATOR PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to support and expand a diversified agricultural industry in Hawaii by appropriating funds for the Agribusiness Incubator Program at the College of Tropical Agriculture and Human Resources at the University of Hawaii to continue its operations and services until replacement federal funding can be secured.

Testimony in support of this measure was submitted by the Department of Agriculture; the College of Tropical Agriculture and Human Resources, University of Hawaii; the Agribusiness Incubator Program; Mana Ulu Kalo Company LLC; Big Island Plants and Foliage, Inc.; Green Point Nurseries, Inc.; Maui Land and Pineapple Company, Inc.; Matsuda-Fukuyama Farms, Inc.; Kahuku Farmers, Inc.; Nalo Farms Inc.; Green Growers, Inc.; Grove Farm Co., Inc.; Hawaii Cooperative of Organic Farmers; Hawaii Farm Bureau Federation; and five private individuals.

The University of Hawaii's Agribusiness Incubator Program provides hands-on business consulting services to agribusinesses that might not otherwise have access to these types of assistance. The Program improves the viability of new businesses and increases the success rate of existing agribusiness expansion through a comprehensive business consulting program. To date, the Program

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has served thirty-one clients, including farming and value-added businesses located statewide. On average, clients have increased their revenues by one hundred twenty-one per cent, increased their operating profits by ninety per cent, and increased their workforce by thirty-four per cent.

Currently, the Agribusiness Incubator Program is entirely dependent upon funding through a special grant from the United States Department of Agriculture to institutions, which serve Native Alaskans and Native Hawaiians. This year, the Program will lose funding in September of 2007.

Your Committee finds that additional state funding will allow the Program to continue to provide agribusinesses with valuable services and resources until alternative sources of funding are found to cover future operating budgets. Your Committee believes that appropriating funds to the Agribusiness Incubator Program fulfills the intent of this measure, which is to support and expand a diversified agricultural industry in Hawaii.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1758 and recommends that it pass Second Reading and be referred to the Committee on Economic Development and Taxation.

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

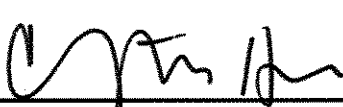


RUSSELL S. KOKUBUN, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Water, Land, Agriculture and Hawaiian Affairs**  
**WAH**

Bill / Resolution No.:* <b>S.B. 1758</b>	Committee Referral: <b>WAH, EDT, WAM</b>	Date: <b>2/7/07</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KOKUBUN, Russell S. (C)	✓			
TOKUDA, Jill N. (VC)				✓
FUKUNAGA, Carol				✓
HEE, Clayton	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:             Original             Yellow             Pink File with Committee Report             Clerk's Office             Drafting Agency				

\*Only one measure per Record of Votes