

Honolulu, Hawaii
Feb 26, 2010

RE: H.B. No. 2290
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2290, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this bill is to provide a dedicated source of funding for the State's agricultural commodity inspection activities, by among other things:

- (1) Establishing an Agriculture Inspection and Certification Special Fund (Special Fund) for that purpose, to receive fees, fines, and penalties, federal funds, grants and gifts, and other moneys obtained in connection with agricultural inspection and certification;
- (2) Repealing the Certification Services Revolving Fund and transferring its moneys and obligations to the Special Fund;
- (3) Requiring the Department of Agriculture (DOA) to impose or increase fees by rule at levels sufficient to pay the operating costs of agricultural inspection and certification, and providing statutory rates effective if DOA fails to adopt rules; and



- (4) Appropriating \$1,400,000 in general revenues for the Agriculture Inspection and Certification Program for fiscal year 2010-2011.

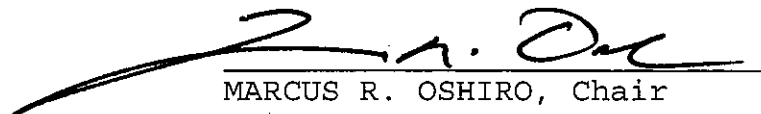
The Department of Agriculture, Hawaii Farm Bureau Federation, Monsato Hawaii, and a concerned individual testified in support of this bill. The Department of Budget and Finance; Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO, and Hawaii Crop Improvement Association provided comments.

Your Committee has amended this bill by:

- (1) Changing the appropriation from \$1,400,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2290, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2290, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



