

Honolulu, Hawaii

FEB 11 2010

RE: S.B. No. 2523  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 2523 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL INSPECTIONS,"

begs leave to report as follows:

The purpose of this measure is to exempt dry bulk freight of foreign origin from the inspection, quarantine, and eradication service fee and charge retroactively from July 1, 2007.

Testimony in support of the measure was submitted by four organizations. One state agency and five organizations submitted testimony in opposition. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Cement bulk freight is pre-processed aggregate and sand that meets stringent requirements of the American Society of Testing Materials, and typically takes up an entire bulk freighter, which is a ship specially designed to transport unpackaged bulk freight. Prior to leaving for the State, the bulk freight goes through a sampling and inspection process to ensure clearance by the United States Department of Agriculture Animal and Plant Health Inspection Service upon arrival. Similarly, crushed granite aggregate used in hot-mix asphalt involves the excavation of glacial deposits of granite with large scrapers, and then the crushing and washing to the finished product specifications. These processes are subject to strict quality control standards designed to detect and prevent deleterious and organic material in the finished product.



Your Committee finds that this measure provides a narrow exemption from the inspection, quarantine, and eradication service fee and charge for certain kinds of bulk freight, which are inherently unlikely to carry invasive species and are subject to federal inspections.

Your Committee has amended this measure by:

- (1) Expanding the exemption to include aggregate, cement, coal, and liquid bulk freight;
- (2) Inserting definitions for aggregate, cement, coal, and liquid bulk freight;
- (3) Amending the purpose section accordingly; and
- (4) Changing the effective date to July 1, 2050 for the purposes of further discussion.

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. 2523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2523, 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,  
Agriculture, and Hawaiian  
Affairs,

  
\_\_\_\_\_  
CLAYTON HEE, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

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

Bill / Resolution No.:* <b>SB 2523</b>	Committee Referral: <b>WTL, WAM</b>	Date: <b>2/5/10</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 type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	/			
TOKUDA, Jill N. (VC)				/
BUNDA, Robert				/
FUKUNAGA, Carol	/			
KOKUBUN, Russell S.	/			
TAKAMINE, Dwight Y.	/			
HEMMINGS, Fred	/			
<b>TOTAL</b>	<b>5</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Russell S. Kohl</div>				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office            Drafting Agency        Committee File Copy				

\*Only one measure per Record of Votes