

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 290

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 290, 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 improve the operations of the Department of Agriculture (DOA) by:

- (1) Repealing the Certification Services Revolving Fund and establishing the Agriculture Inspection and Certification Special Fund (Special Fund) to pay for:
 - (A) Licensure of commission merchants, dealers, brokers, agents, processors, and retail merchants;
 - (B) Administration, operation, and enforcement of laws relating to feed, farm produce, and grades and standards; and
 - (C) Inspection, certification, weighing, or grading of certain agriculture commodities;
- (2) Specifying the fees, charges, expenses, fines, penalties, and other funds, collected under the regulatory operations of DOA, that shall be transmitted to the Special Fund;



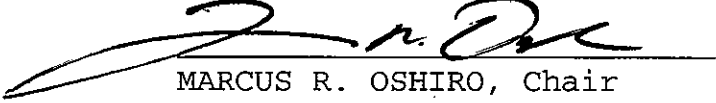
- (3) Requiring the DOA to adopt, within a specified timeframe, new or amend existing rules to impose or increase fees collected under certain regulatory operations of DOA, and setting certain fees at unspecified amounts to take effect on October 1, 2011 if rules are not adopted within that time frame;
- (4) Allowing DOA to enter into agreements with government and private agencies to:
 - (A) Hire inspectors to perform certification and audit services, and pay for travel and other expenses incurred as a result thereof;
 - (B) Maintain food safety; and
 - (C) Establish and maintain an Internet food safety promotional and reporting system;
- (5) Transferring all funds and unpaid obligations of the Certification Services Revolving Fund to the Special Fund; and
- (6) Appropriating an unspecified amount for the DOA's Agriculture Inspection and Certification Program.

The Hawaii Crop Improvement Association and Hawaii Farm Bureau Federation testified in support of this bill. A concerned individual opposed this measure. The Department of Budget and Finance and DOA provided comments.

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. 290, H.D. 1, and recommends that it pass Third Reading.



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


MARCUS R. OSHIRO, Chair



