

Honolulu, Hawaii

MAR 18 2014

RE: H.B. No. 2468

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committees on Agriculture and Economic Development, Government Operations and Housing, to which was referred H.B. No. 2468 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to:

- (1) Perform planning and feasibility studies for one or more quarantine inspection, quarantine treatment, deconsolidation, and consolidation facilities on the island of Hawaii; and
- (2) Perform a marketing and economic impact analysis for one or more of the facilities.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Hawaii Farm Bureau Federation; Nature Conservancy; Hawaii Floriculture and Nursery Association; and one individual.

Your Committees find that the island of Hawaii is strongly oriented toward diversified agriculture that promotes Hawaii's participation in global trade and commerce. For this reason, one or more facilities is needed on the island of Hawaii for



quarantine, quarantine inspection, treatment, deconsolidation, and consolidation of incoming and outgoing agricultural commodities. Such facilities are essential to an effective biosecurity strategy and the efficient movement of goods into and out of the islands.

Your Committees have amended this measure by:

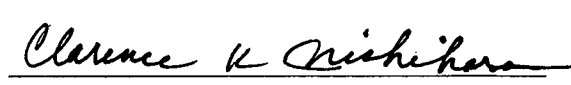
- (1) Inserting the contents of S.B. No. 2020, S.D. 2, Regular Session of 2014, to establish an agricultural foreign-trade zone to assist businesses with warehouse savings, the importing and exporting of resources, manufacturing incentives, and export financing, effective July 1, 2050;
- (2) Inserting the contents of S.B. No. 2397, S.D. 2, Regular Session of 2014, to create, and appropriate funds for, an agricultural technology park under the High Technology Development Corporation, effective July 1, 2050; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development, Government Operations and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2468, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2468, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Agriculture and
Economic Development,
Government Operations and
Housing,



DONOVAN M. DELA CRUZ, Chair



CLARENCE K. NISHIHARA, Chair



