

House District 14  
Senate District 8

THE TWENTY-EIGHTH LEGISLATURE  
APPLICATION FOR GRANTS  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Recipient" means any organization or person receiving a grant.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:  
**Ho'opulapula Haraguchi Rice Mill**

Dbas:

Street Address:

4708 Ohiki Road, Hanalei, Hi 96714-0427

Mailing Address:

P.O. Box 427, Hanalei, Hi 96714-0427

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name Karol Haraguchi

Title Vice-President

Phone # 808-826-6202

Fax # 808-826-6369

E-mail karol@haraguchiricemill.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII  
 FOR PROFIT CORPORATION INCORPORATED IN HAWAII  
 LIMITED LIABILITY COMPANY  
 SOLE PROPRIETORSHIP/INDIVIDUAL  
 OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Feasibility of Growing Rice in Harvested Taro Fields  
to Ease Depredation of Taro by Endangered Water  
Birds and Nene Geese

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: \_\_\_\_\_

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2017: \$ 247,000.00

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)  
 EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE  
AT THE TIME OF THIS REQUEST:

STATE \$ \_\_\_\_\_  
FEDERAL \$ \_\_\_\_\_  
COUNTY \$ \_\_\_\_\_  
PRIVATE/OTHER \$ \_\_\_\_\_

SIGNATURE:

Rodney Haraguchi, President

NAME & TITLE

1/19/16  
DATE SIGNED



RECEIVED  
1/21/16 *MA*

## Application for Grants

*If any item is not applicable to the request, the applicant should enter "not applicable".*

### **I. Background and Summary** See attached

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Please include the following:

1. A brief description of the applicant's background;
2. The goals and objectives related to the request;
3. The public purpose and need to be served;
4. Describe the target population to be served; and
5. Describe the geographic coverage.

### **II. Service Summary and Outcomes** See attached

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;
2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;
3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and
4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

### **III. Financial**

**Budget**

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2017.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$181,000.00	\$34,500.00	\$21,000.00	\$10,500.00	\$247,000.00

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2017.  
HHRM and the County of Kaua`i
4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.  
None
5. The applicant shall provide a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding.  
Have applied to the County of Kaua`i
6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2015. \$46,300.00

**IV. Experience and Capability See attached**

**A. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

**B. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities.

Research rice fields in Hanalei, Kapa`a and Koloa will be on the existing taro farms of the participants.

**V. Personnel: Project Organization and Staffing**

**A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

See Attached

**B. Organization Chart**

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organization chart that illustrates the placement of this request.

See attached

**C. Compensation**

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position..

HHRM Officers and Board of Directors serve on a voluntary capacity.

**VI. Other**

**A. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

There is no litigation or pending litigation.

**B. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request.

See Attached

**C. Private Educational Institutions**

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

This grant is for a pilot experimental project that may be useful to the Hawaii educational system thereafter.

**D. Future Sustainability Plan**

See Attached

The applicant shall provide a plan for sustaining after fiscal year 2016-17 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2016-17, but
- (2) Not received by the applicant thereafter.

**E. Certificate of Good Standing (If the Applicant is an Organization)**

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2015.

Enclosed with this grant.

## Application for Grants

### I. Background and Summary

1. A brief description of the applicant's background;

Ho`opulapula Haraguchi Rice Mill (HHRM) a 501(c)(3) nonprofit was established on October 14, 1983 to restore the Haraguchi Rice Mill (HRM) after Hurricane Iwa. Listed on the State and National Register of Historic Buildings, the organization's mission at that time was to rebuild the mill and utilized as an education resource to document the agrarian history of The goals and objectives related to the request;

Taro farmers and other farmers are experiencing crop depredation by Endangered Waterbirds and Nene geese, and have not been able to protect their crops and continue to suffer financial loss of their crops that has increased exponentially as the bird populations continue to increase yearly. Kaua`i produces 85% of the taro in the State with the majority (65%) produced in Hanalei. During the 1970s the first instance of 1 of the 3 endangered water birds (Hawaiian Coot - `Alae Ke`oke`o) consuming taro was sporadic and minimal. Then in 1999 the Nene geese were introduced into the Hanalei Valley which started with approximately 2 dozen and currently the north shore has over 800 Nene geese, an increase of 3200% in 15 years.

Due to the birds are on the Endangered Species List, the farmers have tried every suggestion by the U.S. Fish & Wildlife Service (USFWS) to alleviate the taro depredation (collecting and placing sticks in the field, leaving weeds in fields) but none have proven successful. The farmers have tried formal mediation with Peter Adler but USFWS refused to complete the process. The farmers have tried a fencing experiment with USFWS but the summary results presented by USFWS were not able to be discussed in the incomplete mediation process, (which the farmers disagreed with the summary), resulted in denying farmers the ability to fence the newly planted taro field. The farmers offered to donate huli (taro seedlings) and labor to plant taro in the USFWS ponds to draw more birds there, but were told that it would degrade their ponds and refused the offer. The birds are consuming the newly planted taro shoots until the plant dies. Then the birds also consume the plants that were able to survive, before the farmer can harvest the taro. Some fields are experiencing 95% consumption by birds, for example, a field that would have produced 120 bags (9600 lbs) of taro was left with only 5 bags (400 lbs). Last year, Haraguchi farms lost 40,000 lbs of taro. Another farmer raising beets lost 2,000 lb to the birds and quit farming that area. Another

farmer on the Big Island that once farmed 60 acres of a 3<sup>rd</sup> generation farm, he reduced it to a 17,000 square feet greenhouse and now has given up. He told his children there is no farm left to come back to after college and his marriage ended in a divorce.

With all of the previous options, the farmers are running out of time and ideas. This project may be the last attempt to solve this challenge. There is no question that rice can grow in Hawaii and was an economic success at one time. At the peak of rice production in Hawaii (1887) there were approximately over 10,000 acres of rice that produced over 13 million pounds of rice which was exported. In 1899 Hawaii's production has expanded so that Hawaii placed 3<sup>rd</sup> in production behind Louisiana and South Carolina.

The Haraguchi Rice Mill (HHRM) was the last surviving rice mill when it closed in the 1960s. Rice is planted in May and harvested in September and October just before the birds start to eat the taro. This project is to test the feasibility of wet fallowing the harvested rice fields to draw the birds to consume the fallen rice grains and stalks, and lessen the depredation on the taro fields. This will enable the farmers to utilize crop rotation to enhance the soil and receive some income from the harvested rice.

California rice farmers have proven that working collaboratively with the Natural Resource Conservation Service (NRCS) Waterbird Habitat Enhancement Program (WHEP), to enhance habitat on 100,000 acres of rice lands was successful. This program helps to sustain production agriculture in the Central Valley while also providing wildlife with surrogate wetland habitat to help offset substantial loss of wetland habitat over the past 150 years. It has proven to become a model for enhancing waterbird habitat. This was a cooperative effort between the NRCS, California Rice Commission, rice growers, Audubon California, Point Blue Conservation Science and The Nature Conservancy to find ways to both grow rice and improve habitat for birds. And that it needs continual investment to provide long-term benefits to farmers, birds, our environment and consumers.

In essence, the taro farmers are doing this already on a very small and limited scale in comparison to the amount of acreage that this study entailed and with no cost by the government to maintain the taro/bird habitat which the taro farmers maintain, nor are taro farmers receiving any compensation for the taro loss. Taro farming has proven to be a natural and sustainable environment for the Hawaiian waterbirds year round that now includes the Nene geese; and so much so that the success of the habitat has increased the bird populations to over populate the taro fields and consume the taro. Utilizing the success of the California rice farmers,

this project will also contribute to solving the depredation of taro by the Hawaiian waterbirds and Nene geese.

The demise of the Hawaii rice industry was due to several factors that this project will avoid such as the problems of the Chestnut Mannequin (rice bird) consuming the crop can be alleviated by covering the field with a fine fiber netting that are now produced. HHRM had done a prior rice crop for a demonstration educational program for the HHRM education program, and utilized this cover. However, a week before harvest, Hurricane Iniki hit Kaua`i and although the rice crop didn't survive, the fiber cover did.

Another problem was the lack of mechanization and the small fields as compared to the California rice fields. The rice farmers here tried utilizing a John Deere harvester which was huge and heavy and would get stuck in the mud. A Japanese representative had suggested utilizing similar machines from Japan due to the similarity of the field size and the compact and light machines. With the rice industry already declining and it may have not been feasible to consider equipment from Japan; this project will research and bring in the appropriate new and used machines. In order for rice to grow in Hawaii again, it has to be fully mechanized as it is done in Japan, from planting, weeding, harvesting, processing and marketing. In addition, this project will also grow several specialty varieties that are being recommended from Japan and U.S. in several areas of Kaua`i to test the different soils and weather conditions while utilizing a fully mechanized process from planting to harvesting to processing to marketing. There may also be a possibility to adapt the rice equipment for taro cultivation also.

3. The public purpose and need to be served;

The depredation of agricultural crops by the Endangered birds are increasing each year and has already driven farmers to quit farming in the area of depredation and for some to quit farming entirely. With many farms going out of business for various reasons, this crop depredation is another reason that will prevent Hawaii from reaching its goal of sustainability. Taro is the State Plant and culturally significant to our Hawaiian culture and needs to be protected. It also contributes to the scenic vistas and to tourism as reflected on the many photos that are utilized for advertising. Agriculture will only survive to the next generations if we can find ways to resolve the challenges in a cooperative and positive way. It is not agriculture vs endangered birds, taro farmers have been the reason the bird populations have increased so successfully that the birds are now eating their own habitat.



4. Describe the target population to be served;

The initial target will be the farmers that will be able to benefit by lessening the crop depredation by the birds. The newly tested rice crop may create another agricultural crop and in Hawaii. Rice is also a main staple next to poi and there is no rice grown commercially for consumers. It will also enhance the visitor industry by providing local restaurants with local staple rice and sushi rice. The millers, stores, farmers markets; will also have a more consistent supply and, both taro and rice consumers are another target population that will benefit from this project.

5. Describe the geographic coverage.

Testing will be done in Hanalei, Kapa`a and Koloa initially. However, after the project is completed, farmers that are interested may be able to utilize the rice equipment and learn the production techniques to grow rice to protect their taro fields.

## **II. Service Summary and Outcomes**

1. Describe the scope of work, tasks and responsibilities;

Participants have traveled to Japan twice last year to visit Japanese farmers and to attend the Japan World Agriculture Expo in Chiba and also the International Packaging and Processing Expo in Tokyo. They will again travel to Japan to learn in detail about rice cultivation, rice varieties and to select the rice equipment for production, harvesting and processing. They will also travel to Sacramento to see rice farms that have successfully fallowed harvested fields that have attracted birds similar to the Hawaiian Waterbirds and Nene, such as the American Coot, American Moorhen and Canadian geese.

Harvested taro fields will be planted with several selected rice varieties in different locations and cultivated in both organic and conventional methods. Fields will be tested for yields and qualities. Harvested rice will be tested for quality and taste, and packaging equipment will be tested for marketing specialty rice.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

This project may take more than a year to complete depending on the funding, arrival of equipment from Japan and the rice varieties that will be tested. The first quarter will be traveling to Japan and U.S., learning rice cultivation, selecting and receiving the rice equipment. An Advisory Board will be established to gather

more rice cultivation information. Depending on the time of year, fields will be prepped and planted with rice and harvested after 6 months. The Advisory Board and additional people will comprise a focus group to test the yield, quality and taste of each variety planted, and to gather a survey of restaurants that may be interested in purchasing rice.

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate and improve their results;

The Advisory Board will be made up of people who have a PhD in agronomy with experience in growing rice, a former rice farmer, a former extension service person that is familiar with rice cultivation for the California Rice growers and from the local food service industry. Each of the Advisory Board members have extensive experience to advise the participants.

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated.

Cost and expenditures will be verified by actual invoices and receipts for each budgeted item. Each request will be accompanied by an explanation for purchases and also the portion of the grant it represents. Participants will also keep a daily log of bird counts of the 3 birds and to take photos to document the results.

### **III. Experience and Capacity**

#### **A. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request.

Rodney and Karol Haraguchi, President and Vice-President, have extensive experience from establishing the nonprofit organization, reconstruction of the HRM twice after Hurricanes Iwa and Iniki, which involved coordination with contractors, FEMA, State Historic Office and other foundations. They continue to run the organization through its Board of Directors and Education Coordinator. They also own W.T. Haraguchi Farm, Inc. and operate 2 farms located in Hanalei and Koloa. They are also partners in their value-added LLC, Hanalei Taro & Juice Company that processes, whole sales and retails their taro products. They have constructed and established their commercial kitchens that are fully certified with the Department of Health and have received certification for the various Food Safety training. Rodney is also President of the Kaua'i Taro Growers

Association, which he will be collaborating with the members that are interested in the project and would like to establish rice fields after the completion of this project.

## **V. Personnel: Project Organization and Staffing**

### **A. Proposed Staffing, Staff Qualifications, Supervision and Training**

Rodney and Karol Haraguchi are contributing their time, office space, utilities, telephone, insurance, field use, equipment use as in-kind contribution. Jerry Ornellas will also be contributing his time, field use, equipment use as in-kind contribution to this project. Rodney will serve as Principal Investigator and will be hiring additional people who will do the field work in Hanalei and Koloa, according to his guidance and instruction. Karol Haraguchi will coordinate the grant with the expending agency and do the financials for the project. Total in-kind contribution to this project is \$62,120.

All of them have extensive farming experience and have considerable information on rice and taro to carry out this project. Karol has previously worked with FEMA, federal and state government departments, CPAs, computerized accounting, nonprofit accounting and will be able to provide all financial statements.

### **B. Organization Chart**

HHRM President, Rodney Haraguchi and the Principal Investigator,, will be responsible to for the overall guidance and completion of this project. He will be responsible for hiring the additional part-time person and to train and instruct this person. Vice-President Karol Haraguchi will have fiscal and administrative responsibility for the grant and all accounting and financials.

## **VI. Other**

### **B. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request.

HHRM nonprofit organization's Board of Directors and Officers are all on a voluntary basis. Rodney Haraguchi, President, has farmed taro since 1974 and his family has raised rice during the previous 2 generations prior to him. His father, William Haraguchi, will also be advising on this project. Rodney also holds a

Type 4 driving license that will allow him to haul any load that this type of license requires and also to haul the equipment between farms. Karol Haraguchi holds a B.Ed. degree from the University of Hawaii at Manoa and is a licensed Realtor in Hawaii. She has completed the Kaua`i Community College culinary and Food Safety Program for their certified kitchens. She has worked successfully with FEMA, other Foundations, and Federal and State funded projects for Historic Preservation and small businesses. She is the financial administrator for W.T. Haraguchi Farms; HHRM, Hanalei Taro & Juice Company and Hanalei Valley Realty.

#### **D. Future Sustainability Plan**

The applicant shall provide a plan for sustainability after fiscal year 2016-17 the activity funded by the grant if the grant of this application is:

(1) Received by the applicant for fiscal year 2016-17

The success of this pilot project will give credence to the County of Kaua`i and the State of Hawaii to consider future funding of this project for other farmers that are suffering crop depredation and to consider expanding the rice cultivation. Should both governments find that future funding will not be forthcoming HHRM will continue to find outside entities that would be interested in expanding the project to other farmers.

(2) Not received by the applicant thereafter.

Famers in Hawaii will not be able to survive if these challenges of crop depredation by endangered birds are not dealt with immediately as each year the bird population is increasing exponentially. If the State prefers not to fund this project, most farms are at a tipping point and are already operating on a slim margin of profit, if any profit at all. Agriculture will continue to decline in Hawaii and the dream of self-sufficiency and sustainability will not be possible and just a dream.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2016 to June 30, 2017

App Ho'opulapula Haraguchi Rice Mill

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
<b>A. PERSONNEL COST</b>				
1. Salaries	25,000			
2. Payroll Taxes & Assessments	3,200			
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>	<b>28,200</b>			
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	2,500			
2. Insurance				
3. Lease/Rental of Equipment	In kind			
4. Lease/Rental of Space	In kind			
5. Staff Training	In kind			
6. Supplies	9,500			
7. Telecommunication	In kind			
8. Utilities	In kind			
9. Travel Japan	12,500			
10. Travel U.S.	4,000			
11. Advisory Board Fees	4,000			
12. Shipping & Hauling	17,000			
13. Packaging & supplies	4,500			
14. Graphics	3,000			
15. Sales & Marketing	20,000			
16.				
17.				
18.				
19.				
20.				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>77,000</b>			
<b>C. EQUIPMENT PURCHASES</b>	<b>151,800</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>				
<b>TOTAL (A+B+C+D+E)</b>	<b>257,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	247,000	Karol Haraguchi <span style="float: right;">808-826-6202</span>		
(b) Total Federal Funds Requested		Phone		
(c) Total County Funds Requested		1/19/16		
(d) Total Private/Other Funds Requested	10,000	Date		
<b>TOTAL BUDGET</b>	<b>257,000</b>	Rodney Haraguchi, President Name and Title (Please type or print)		

## BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2016 to June 30, 2017

Ho'opulapula Haraguchi Rice Mill

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Field Worker - Part time		\$28,200.00	100.00%	\$ 28,200.00
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
				-
<b>TOTAL:</b>				<b>28,200.00</b>

JUSTIFICATION/COMMENTS: A part time field worker will be hired to assist Rodney Haraguchi with rice fields in Hanalei and Koloa.

# BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Ho'opulapula Haraguchi Rice Mill

Period: July 1, 2016 to June 30, 2017

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
See attached list			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	

JUSTIFICATION/COMMENTS:

There will be no incentive for farmers to consider rice production unless it is a fully mechanized process.

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	

JUSTIFICATION/COMMENTS:

Ho`opulapula Haraguchi Rice Mill Budget Justification - Equipment  
 Period July 1, 2016 to June 30, 2017

Description of Equipment	# of Items	Cost/Item	Total Cost	Total Budgeted
Rice row planter	1	\$12,800.00	\$12,800.00	\$12,800.00
Rice Harvester	1	\$26,000.00	\$26,000.00	\$26,000.00
Rice Weeder	1	\$19,000.00	\$19,000.00	\$19,000.00
Rice Dryer	1	\$9,000.00	\$9,000.00	\$9,000.00
Rice Huller	1	\$9,500.00	\$9,500.00	\$9,500.00
Rice Polisher	1	\$11,000.00	\$11,000.00	\$11,000.00
Rice Grader	1	\$9,500.00	\$9,500.00	\$9,500.00
Rice Sorter/Packer	1	\$25,000.00	\$25,000.00	\$25,000.00
Rice compost spreader	1	\$13,000.00	\$13,000.00	\$13,000.00
Trailer to haul rice equipment	1	\$12,000.00	\$12,000.00	\$12,000.00
Irrigation water pump & Photo voltaic panels	1	\$5,000.00	\$5,000.00	\$5,000.00
<b>Total Cost</b>		<b>\$151,800.00</b>	<b>\$151,800.00</b>	<b>\$151,800.00</b>

Justification Comments: The success of this project is the assurance that rice cultivation can be fully mechanized to ensure less labor costs and interest the next generation to continue farming. Previous generations have tried a U.S. rice harvester which was unsuccessful and although a Japanese representative said Japanese machinery works in fields similar to Hawaii the Hawaii rice industry was already on the decline and it was never tested.



# BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2016 to June 30, 2017

Ho`opulapula Haraguchi Rice Mill

TOTAL PROJECT COST	FUNDING AMOUNT REQUESTED					
	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2014-2015	FY: 2015-2016	FY:2016-2017	FY:2016-2017	FY:2017-2018	FY:2018-2019
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:						
JUSTIFICATION/COMMENTS:						
Not Applicable						

**GOVERNMENT CONTRACTS AND / OR GRANTS**

Apf: Ho'opulapula Haraguchi Rice Mill

Contracts Total:

-

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY</b> (U.S. / State / Haw / Hon / Kau / Mau)	<b>CONTRACT VALUE</b>
1	Not Applicable				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

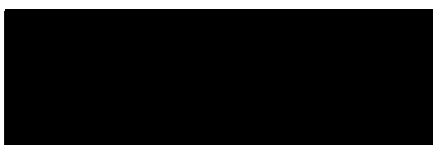
The undersigned authorized representative of the applicant certifies the following:

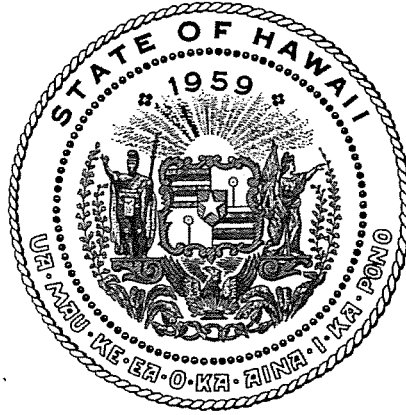
- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.
  
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.
  
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Ho'opulapula Haraguchi Rice Mill

	on)
	1/19/14
	(Date)
Rouney Haraguchi - President	
(Typed Name)	(Title)



**Department of Commerce and Consumer Affairs**

**CERTIFICATE OF GOOD STANDING**

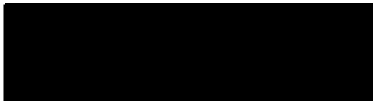
I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

HO'OPULAPULA HARAGUCHI RICE MILL

was incorporated under the laws of Hawaii on 10/14/1983 ;  
that it is an existing nonprofit corporation; and that,  
as far as the records of this Department reveal, has complied  
with all of the provisions of the Hawaii Nonprofit Corporations  
Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set  
my hand and affixed the seal of the  
Department of Commerce and Consumer  
Affairs, at Honolulu, Hawaii.

Dated: January 19, 2016



Director of Commerce and Consumer Affairs

