

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 3087
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred S.B. No. 3087, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to improve the quality and marketability of Hawaiian papayas by appropriating funds to the Agribusiness Development Corporation to:

- (1) Identify factors that affect the quality of local papayas; and
- (2) Develop and establish protocols to enhance the marketability of Hawaiian papayas.

The following testified on the measure as received by your Committee: The Agribusiness Development Corporation, Mayor of the County of Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Farm Bureau, and a concerned individual supported this measure. The Department of Agriculture commented on this measure.



Your Committee prepared a proposed House Draft No. 1 of this measure, posted notice of the hearing on the proposed draft, made the proposed draft available, and took testimony on the proposed draft. The following testified on the proposed House Draft No. 1: The Department of Agriculture and Agribusiness Development Corporation opposed the proposed measure. The Hawaii Farm Bureau commented on the proposed measure.

The proposed House Draft No. 1 amends the measure as received by your Committee by adding a Part II which requires the Auditor to conduct a management and financial audit of the Agribusiness Development Corporation and submit its findings and recommendations to the Legislature prior to the convening of the Regular Session of 2020.

After careful consideration, your Committee adopted proposed House Draft No. 1, with amendments that revised the purpose of the appropriation. The amended measure appropriates funds for the Agribusiness Development Corporation to fund the United States Department of Agriculture Pacific Basin Agricultural Research Center's efforts to address the following concerns and issues of the Hawaii Papaya Industry Association:

- (1) Identifying factors that affect the quality of local papayas;
- (2) Developing and establishing protocols to enhance the marketability of Hawaiian papayas; and
- (3) Working with the Hawaii Papaya Industry Association member exporters to follow the flow of fruit from Hawaii fields through the treatment and packing process to the customer to identify the problems and areas that need attention, improvement, and further research.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3087, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3087, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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

A handwritten signature in black ink, appearing to read "Richard P. Creagan", written over a horizontal line.

RICHARD P. CREAGAN, Chair



