

STAND. COM. REP. NO.

1093

Honolulu, Hawaii

MAR 0 1 2019

RE: S.B. No. 1359
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1359, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to ensure accountability with respect to the finances and management of the Agribusiness Development Corporation.

Specifically, this measure requires that a financial and management audit of the Agribusiness Development Corporation be conducted by the Department of Agriculture.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii County Council, Animal Rights Hawaii, and Hawaii Center for Food Safety.

Your Committee received written comments on this measure from the Department of Agriculture, Agribusiness Development Corporation, and Office of the Auditor.

Your Committee finds that this measure will bring clarity and accountability regarding the finances and management of the Agribusiness Development Corporation. However, your Committee notes that the cost of conducting the management audit is not



clear, and your Committee respectfully requests that this concern be considered as this measure moves forward in the legislative process.

Your Committee has amended this measure by:

- (1) Requiring that the Auditor conduct the financial audit of the Agribusiness Development Corporation, to include the financial statements of fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021, and submit a report to the Legislature prior to the Regular Session of 2022;
- (2) Clarifying that the Department of Agriculture conduct the management audit of the Agribusiness Development Corporation and submit a report to the Legislature prior to the Regular Session of 2022;
- (3) Adding an appropriation of an unspecified amount for two fiscal years for the Auditor's financial audit;
- (4) Changing the existing appropriation for two fiscal years to an unspecified amount;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1359, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1359, S.D. 2.



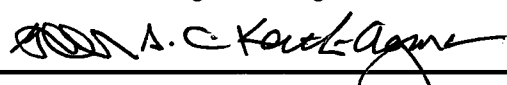
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1359, SD 1	Committee Referral: AEN, WAM	Date: 2/14/19		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.				X
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil				X
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.				X
FEVELLA, Kurt	X			
TOTAL	9			4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes