

STAND. COM. REP. NO.

1419

Honolulu, Hawaii

MAR 19 , 2019

RE: S.B. No. 1359  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred S.B. No. 1359, 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 ensure transparency and accountability on the part of the Agribusiness Development Corporation (ADC) by:

- (1) Requiring and appropriating funds for the Auditor to conduct a financial audit of ADC that includes ADC's financial statements for fiscal years ending June 30 of 2019, 2020, and 2021, and requiring the Auditor to report its findings and recommendations, including proposed legislation, to the Legislature prior to the convening of the Regular Session of 2022; and
- (2) Requiring and appropriating funds for the Department of Agriculture (DOA) to conduct or effectuate through contract or cooperative agreement, a management audit of ADC and requiring the Chairperson of the Board of Agriculture to submit findings and recommendations,

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including proposed legislation, to the Legislature prior to the convening of the Regular Session of 2022.

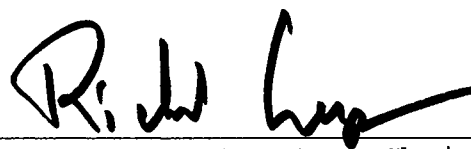
Animal Rights Hawai'i and a concerned individual supported this measure. DOA, ADC, Office of the Auditor, and Hawai'i Center for Food Safety commented on this measure.

Your Committee has amended this measure by:

- (1) Requiring and appropriating funds for the Office of the Auditor, rather than DOA, to conduct the management audit of ADC, with the same reporting requirements;
- (2) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 1359, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1359, 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,



RICHARD P. CREAGAN, Chair



