

STAND. COM. REP. NO.

3040

Honolulu, Hawaii

FEB 28 2020

RE: S.B. No. 2712

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Judiciary, to which was referred S.B. No. 2712, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

beg leave to report as follows:

The purpose and intent of this measure is to update existing laws concerning agricultural cooperative associations and consumer cooperative associations with regard to, among other things, operations as resale agents and conversions.

Your Committees received testimony in support of this measure from the Hawaii Small Business Development Center, East Hawaii; Food and Agriculture Initiatives, The Kohala Center; and one individual.

Your Committees find that a cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise. In Hawaii specifically, the costs of operating businesses are high due to our geographic isolation, and business owners see increased costs in terms of building, agricultural inputs, packaging, machinery, and labor. The cooperative business model therefore provides an avenue for small businesses to come together to obtain an economic



benefit that might mean the difference between the success and failure of their businesses.

Your Committees further find that Hawaii's Agricultural Cooperative Associations Act was enacted in 1949, which is based on the Uniform Agricultural Cooperative Associations Act. This measure provides important updates to allow for the expansion of lawful practices within cooperatives so that Hawaii's small businesses and cooperatives can continue to evolve and take advantage of new markets, both locally and globally.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2712, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committees on Commerce,  
Consumer Protection, and Health  
and Judiciary,



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KARL RHOADS, Chair



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ROSALYN H. BAKER, Chair





The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes  
Committee on Judiciary  
JDC**

Bill / Resolution No.:* <b>SB 2712 SD1</b>	Committee Referral: <b>AEN, CPH/JDC</b>	Date: <b>2/21/2020</b>		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	/			
KEOHOKALOLE, Jarrett (VC)	/			
GABBARD, Mike				/
KIM, Donna Mercado				/
FEVELLA, Kurt	/			
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report   Clerk's Office   Drafting Agency   Committee File Copy				

\*Only one measure per Record of Votes