

**HOUSE OF REPRESENTATIVES
STATE OF HAWAII
THE THIRTY-FIRST LEGISLATURE**

In the matter of the House Investigative) [] SUBPOENA
Committee to Investigate Compliance with) [X] SUBPOENA DUCES TECUM
Audit Nos. 19-12 and 21-01) [X] EXHIBIT "A"
_____)

FROM THE STATE OF HAWAII TO:

The Sergeants-at-Arms of the House of Representatives of the Thirty-First Legislature of the State of Hawaii; the sheriff or the sheriff's deputies; the chief of police of any county or the chief's deputies; any police officer of the State or any county; and any officer authorized by law to serve subpoenas in the State of Hawaii,

YOU ARE COMMANDED to subpoena the individual named below:

James J. Nakatani, Executive Director of the Agribusiness Development Corporation,
Or Other Appropriate Individual in custody of the books, records, documents, or other
evidence requested below
State Office Tower
235 South Beretania Street, Room 205
Honolulu, HI 96813

THE ABOVE-NAMED INDIVIDUAL IS COMMANDED, at the place, date, and time indicated below, **TO:**

[] Appear and testify before the above-named Investigative Committee.

[X] Produce the documents or things described below.

METHOD: Via e-mail to Chair Della Au Belatti, House Investigative Committee
to Investigate Compliance with Audit Nos. 19-12 and 21-01
repbelatti@capitol.hawaii.gov

DATE: Tuesday, September 7, 2021

TIME: 4:30 P.M.

DESCRIPTION OF DOCUMENTS TO BE PRODUCED (Attach EXHIBIT A if necessary):

See Exhibit A.

DISOBEDIENCE OF THIS SUBPOENA MAY BE PUNISHED AS CONTEMPT PURSUANT TO THE HAWAII STATE CONSTITUTION; SECTION 21-14, HAWAII REVISED STATUTES; AND THE RULES OF HOUSE INVESTIGATIVE COMMITTEE TO INVESTIGATE COMPLIANCE WITH AUDIT NOS. 19-12 AND 21-01.

Della A Belatti

Rep. Della Au Belatti
Chair, House Investigative Committee to Investigate
Compliance with Audit Nos. 19-12 and 21-01

Date: August 13, 2021

This subpoena is issued in the above-captioned matter under the authority of the Hawaii State Constitution; Section 21-8 of the Hawaii Revised Statutes; House Resolution No. 164 of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021; Rule 55.1 of the Rules of the House of Representatives of the Thirty-First Legislature of the State of Hawaii; and Rule 2.2 of the Rules of the House Investigative Committee to Investigate Compliance with Audit Nos. 19-12 and 21-01.

NOTICE TO WITNESS

You have been subpoenaed to produce certain books, records, documents, or other evidence to the House Investigative Committee to Investigate Compliance with Audit No. 19-12 or No. 21-01. The Investigative Committee was established by House Resolution No. 164, Thirty-First Legislature of the State of Hawaii, Regular Session of 2021. The Investigative Committee is authorized to follow up on the Audit of the Department of Land and Natural Resources' Special Land and Development Fund, Report No. 19-12, and Audit of the Agribusiness Development Corporation, Report No. 21-01, and to examine the recommendations made in those audits, for purposes of improving the operations and management of state agencies, their funds, and any other matters.

Together with this subpoena, you are being served with a copy of House Resolution No. 164 and a copy of the Rules of the House Investigative Committee to Investigate Compliance with Audit Nos. 19-12 and 21-01.

I certify that this is a full, true, and correct copy of the original on file in this office.

Kim L. Tillie

Chief Clerk, House of Representatives,
Legislature, State of Hawaii

Date: 8/13/21

EXHIBIT A

DOCUMENTS TO BE PRODUCED

1. The Agribusiness Development Corporation's ("ADC") mission statement, including any draft mission statements;
2. Any and all copies of ADC's bylaws from ADC's creation from 1993 to present;
3. Any documents ADC has regarding goals, objectives, and policies for ADC from 2001 to present;
4. The minutes of ADC's Board of Directors from 2001 to present;
5. The Hawaii Agribusiness Plan of 2021, including any draft Plan, and ADC's Annual Report for 2020;
6. Any documents which ADC created regarding short and long-range strategic plans to facilitate development of Hawaii-based agricultural enterprises to grow and export agricultural crops and value-added products, including any plans from 2016 to present;
7. Any business and agricultural development plans which ADC has for each ADC project, pursuant to HRS § 163D-7 from 2016 to present;
8. Any evaluations, reports, recommendations, memoranda and/or documents ADC created regarding retention of consultants and/or other outside technical assistance to develop a current Hawaii Agribusiness Plan, short and long-term strategic plans, business and agricultural development plans, including the retention of a private property management company to manage some or all of ADC's properties from 2016 to present; and
9. Any documents ADC has regarding policies and procedures:
 - a. For obtaining the Board of Agriculture's approval of agricultural projects, agricultural development plans, and project facility programs developed by ADC pursuant to HRS §163D-8.5, including any delegations of authority, from 2016 to present;
 - b. Relating to the current oversight by the ADC Board of Directors, including the matters or types of matters that must be presented to the ADC Board of Directors for information, consideration, and/or action; relating to the powers delegated by the ADC Board of Directors to the Executive Director; and/or relating to the process for periodically reviewing the delegated authority;
 - c. Relating to land and other ADC property disposition application processes, including the internal processes for evaluating such applications, the criteria upon which applications are evaluated, and checklists to document completion of each step of the process, receipt of required information, and timely communication with the applicants (except for any confidential business information or personal information);

- d. Relating to property management, including the current process;
 - i. To confirm the receipt of all required documentation and other information, such as certificates or other evidence of compliance with federal and state requirements, performance bonds or other security, certificates or other evidence of insurance;
 - ii. For inspection of ADC properties and to set the frequency of inspections;
 - iii. For enforcement of license/permit/right-of-entry terms and conditions, including issuance of notices of default;
 - iv. To evaluate the need for and type of security measures for a specific parcel; and
 - v. To document completion of required processes or activities; and
 - e. Relating to current file and document management systems, including the types of documents retained by ADC and organization of those documents; staff responsibility for performing each file and document management task; document retention; and reporting of any release of personal information;
10. Any documents ADC has regarding creation of an electronic document management system from 2016 to present, including any contracts for an electronic database and/or management system that enables ADC to maintain an inventory of its lands, improvements, and other assets;
 11. Any documents reporting on status updates of any and all contracts ADC has for the creation of any electronic database and/or management system referred to in request number 10;
 12. Any evaluations, reports, recommendations, memoranda and/or documents ADC created regarding the need to procure insurance against loss in connection with ADC properties from 2016 to present;
 13. Any documents which ADC has evidencing ADC's compliance with HRS section 163D-8.5 from 2016 to present;
 14. Any documentation ADC created regarding the current authority delegated by the ADC Board of Directors to the Executive Director, including the types of access and use of ADC property for which the Executive Director can approve without notice to or approval by the Board of Directors;
 15. An ADC summary of how staff and management are structured, and any information to help the Committee understand how much staff time is spent on each of the various components of ADC responsibilities;
 16. An ADC workload analysis and conclusions that justify whether more positions are needed in order to fulfill the ADC's duties;
 17. Any documents which ADC has regarding its staff related to staff qualifications, dates of hire, and any attempts to fill vacant staff positions with qualified persons from 2016 to present;
 18. Any documentation ADC created regarding current annual performance goals and measures for each staff member, including the Executive Director;

19. A current list of all lands (parcels), improvements, and other assets owned or controlled by ADC, including information about which lands (parcels) are vacant, vacancy rates of lands, rent reopening dates, and license/permit/right of entry termination dates for all tenants of ADC's lands;
20. All documents ADC has regarding this current list of lands that are reasonably necessary to manage these lands, such as the licenses, permits, rights of entry, and other agreements to use or occupy ADC's lands, and proof of insurance indemnifying the State of Hawaii and/or ADC by current lessees or permit holders;
21. Any and all versions of the "Project Matrix" identified in Audit Report No. 21-01, including the most current "Matrix" maintained by ADC;
22. Summary of all the water systems managed and/or operated by ADC, locations of these water systems, whether any monies are collected or income is generated from or in connection with these water systems, the annual amounts of revenue that have been generated from these systems, what entities ADC has entered into agreements with in relation to these water systems, and a list of all the agreements, leases, contracts, and/or memoranda ADC has entered into related to these water systems;
23. Any and all copies of agreements entered into with the Kekaha Agriculture Association from 2001 to the present;
24. Lease information for each of the current tenants listed on the Kalepa chart, including the following:
 - a. Crops, livestock, and/or products being farmed, cultivated, and/or raised, from 2003 to present;
 - b. Number of acres per parcel being leased, and lease cost per acre;
 - c. Identification of whether tenant is leasing or has leased land and/or water resources, from 2003 to present;
 - d. If tenant is only leasing land, indication of how tenant is currently acquiring water; and
 - e. How long entity has been a tenant;
25. Proof of insurance indemnifying the State of Hawaii and/or ADC held by current lessees/permit holders of ADC lands on Oahu, Kauai, and Hawaii Island; and
26. Any other documents or information regarding the audit process, audit recommendations, audit responses, information systems, ADC's policies and procedures that are relevant to the purpose of the Investigative Committee and any other documents ADC would like to produce.

RETURN OF SERVICE


I, Rod Tanonaka, DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF HAWAII THAT THE FOLLOWING IS TRUE AND CORRECT:

I served the House Investigative Committee to Investigate Compliance with Audit Nos. 19-12 and 21-01's Subpoena, along with a copy of House Resolution No. 164 and a copy of the Rules of the House Investigative Committee to Investigate Compliance with Audit Nos. 19-12 and 21-01 to:

_____ James J. Nakatani, Executive Director, Agribusiness Development Corporation
State Office Tower
235 South Beretania Street, Room 205
Honolulu, HI 96813


On another individual (explain): Ali Clare Connors

by delivering the copies personally on August 13, 2021 at 3:54 P. M.

Signature of Process Server: 

Print Name, Address, and Telephone Number of Process Server:
Rod Tanonaka
415 S. Beretania St #017
Honolulu, HI ~~96747~~ 96813
808-586-6500

ACKNOWLEDGMENT OF SERVICE

Signature of Person Served: 

Print Name: Justine T. M. Hura 8861