

STAND. COM. REP. NO.

167

Honolulu, Hawaii

FEB 10 2023

RE: S.B. No. 1223

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 1223 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL
PURPOSE REVENUE BONDS TO ASSIST MAUIGROWN COFFEE, INC,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize a new issuance of special purpose revenue bonds in the amount of \$30,000,000, to assist MauiGrown Coffee, Inc. with the operation and expansion of its farm and mill.

Your Committee received testimony in support of this measure from the Department of Agriculture; MauiGrown Coffee Distributors, LLC; Maui County Farm Bureau; and Hawai'i Farm Bureau. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that coffee plants grown by MauiGrown Coffee, Inc. on former Pioneer Mill sugarcane lands are now established, and unique local varieties such as their Maui Mokka coffee variety have become well-known for their quality. The MauiGrown Coffee, Inc. operation has proven to be a successful example of agriculture providing an economic engine that boosts and grows Hawaii's economy. Your Committee additionally finds that special purpose revenue bonds were previously authorized for MauiGrown Coffee, Inc. through Act 116, Session Laws of Hawaii 2017, which expired in 2022, and that the coronavirus disease 2019



pandemic seriously delayed the dispersal of these funds. This measure revises and updates the special purpose revenue bond authorization from 2017 to authorize a new issuance of bonds that will continue to support the development of new infrastructure at MauiGrown Coffee, Inc.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1223 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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



MIKE GABBARD, Chair



