

Honolulu, Hawaii

FEB 08 , 2024

RE: H.B. No. 2737
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 2737 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to amend the authorized activities and uses in agricultural districts to prohibit roadside stands from displaying and selling value-added products and establish a minimum percentage of agricultural products that must be produced on the property in order to be offered for sale at certain retail agricultural-based commercial operations.

Your Committee received testimony in support of this measure from Hawaii's Thousand Friends; Hui o Kamananui; and Keep the North Shore Country. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that agricultural-based commercial operations in agricultural districts allow for the display and sale of agricultural products grown in the State and value-added products that were produced using agricultural products grown in the State. However, multiple businesses claiming to be agricultural-based commercial operations are not accessory to agricultural operations on the property where they are located and essentially are operating as retail operations on agricultural



lands along busy highways. Addressing this issue is critical in supporting local agriculture and ensuring that unauthorized activities in agricultural districts are deterred.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting language that requires the Department of Agriculture, in consultation with other state agencies, to:
 - (A) Conduct a feasibility study on the impact of roadside stands displaying and selling value-added products and the establishment of additional requirements for retail agricultural-based commercial operations; and
 - (B) Submit a report to the Legislature prior to the Regular Session of 2025; and
- (2) Changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2737, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture & Food
Systems,



CEDRIC ASUEGA GATES, Chair



