

ACT 180

H.B. NO. 168

A Bill for an Act Making an Appropriation for Agricultural Research and Development.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that agriculture is vitally important to Hawaii. Agriculture not only plays an important role in the state's economy by providing a stage for tourism, employment opportunities, and products for export, but it also performs a public service by perpetuating a rural lifestyle for Hawaii's residents and providing stewardship for Hawaii's lands and water.

With the demise of the plantations that once controlled vast acres of pineapple and sugar, it is imperative that Hawaii's agricultural industry diversify. The agricultural industry should also explore new opportunities as prime agricultural land becomes available.

Currently, Hawaii's agriculture and value-added products contribute \$2,400,000,000 to the state's economy and employ more than thirty-eight thousand people. During the past twenty years, the value of diversified agriculture in Hawaii

more than doubled, reaching a record \$370,900,000 in farm-level revenues in 2002. The prime agricultural lands released from sugar and pineapple production present a rare window of opportunity to further agricultural development. At present, about one hundred thousand acres of former sugar and pineapple land lie fallow, awaiting economically viable agribusinesses. Recent estimates suggest that if all this land could be put to productive use in successful agricultural ventures, an additional \$1,700,000,000 to \$4,400,000,000 could be added to the state's economy.

To provide the necessary support for the transition of Hawaii's agricultural industry from plantation agriculture to diversified agriculture, more resources must be directed toward agricultural research and market development.

Agricultural research is the foundation upon which Hawaii's agricultural industry can remain competitive in an increasingly global market. To maximize the opportunities for expanding the agricultural industry and to take advantage of thousands of acres of available prime agricultural farmlands, production-driven research is of paramount importance.

The legislature finds that the Hawaii Agriculture Research Center, the University of Hawaii - college of tropical agriculture and human resources, the department of agriculture, and the United States Department of Agriculture Pacific Basin Agricultural Research Center should work collaboratively to expand their agricultural research efforts. These research organizations are an important resource in the State's effort to strengthen and improve the agricultural industry, revitalize the economy, and expand employment opportunities for residents.

The legislature further finds that the Hawaii Farm Bureau Federation is a non-profit agricultural organization representing the interests of, and exemplifying a strong commitment to, the agricultural industry in Hawaii and can ensure that agricultural research and marketing meet the needs of the industry's farmers and ranchers. Moreover, the Hawaii Farm Bureau Federation has frequently partnered with institutions like the Hawaii Agriculture Research Center, University of Hawaii-college of tropical agriculture and human resources, and the department of agriculture on many research and market development projects. The Hawaii Farm Bureau Federation has also been working with all types of commodity organizations, including sugar, pineapple, papaya, macadamia, coffee, flower, fruit, vegetable, aquaculture, seed corn, forestry, and livestock organizations, to formulate the research needs for the entire agricultural industry. Therefore, the legislature finds that the logical organization to oversee and expend the funding for agricultural research and market development is the Hawaii Farm Bureau Federation.

Hawaii must diversify its economic base beyond a reliance on tourism. A revived and revitalized state agricultural industry promises not only to diversify Hawaii's economy but also to sustain and stabilize Hawaii's food supply and protect the open space and lifestyle that both residents and visitors value.

The purpose of this Act is to provide funding for the Hawaii Farm Bureau Federation to conduct agricultural research and market development.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2005-2006 for the Hawaii Farm Bureau Federation to conduct agricultural research and market development.

The sums appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2005.

(Approved July 1, 2005.)