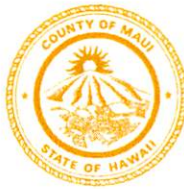


Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director

JoAnn Inamasu
Director



OFFICE OF ECONOMIC DEVELOPMENT

COUNTY OF MAUI
2200 MAIN STREET
ONE MAIN PLAZA, SUITE 305
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

January 20, 2021

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COUNTY CLERK

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P Victorino 1/22/21
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Council Chair
and Members of the Maui County Council
Kalana O Maui Building, 8th floor
200 S. High St.
Wailuku, Hawaii 96793

Dear Chair Lee and Members,

**SUBJECT: A PROPOSED BILL FOR AN ORDINANCE ESTABLISHING A
NEW CHAPTER 3.76, MAUI COUNTY CODE, CREATING
THE MOLOKAI FARMING COST REIMBURSEMENT
PROGRAM FUND**

Attached is a proposed bill entitled, "A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.76, MAUI COUNTY CODE, CREATING THE MOLOKAI FARMING COST REIMBURSEMENT PROGRAM FUND."

The purposes of this proposed bill are to establish a cost reimbursement program and to create a fund entitled, "Moloka'i Farming Cost Reimbursement Program Fund," pursuant to Act 387, Session Laws of Hawaii 1988, herein referred as "Act 387", amended in 2016. This program is intended to stimulate business development and growth in diversified agriculture on the island of Moloka'i. The fund will be used to reimburse the farmers with the cost of complying with the United States Food and Drug Administration Food Safety Modernization Act and State of Hawaii food safety laws.

COUNTY COMMUNICATION NO. 21-82

Honorable Chair Alice L. Lee
January 20, 2021
Page 2

The Molokai Farming Cost Reimbursement Program will be administered by the Office of Economic Development (OED) in the Mayor's Office. The OED will coordinate with the State of Hawaii's Department of Agriculture to adopt administrative rules necessary to carry out the purposes of Act 387.

Should you have any questions, please feel free to contact me at extension 7224.

Sincerely,

A handwritten signature in black ink, appearing to read "Joann Inamasu". The signature is fluid and cursive, with the first name "Joann" being more prominent than the last name "Inamasu".

JOANN INAMASU
Director

Attachment

ORDINANCE NO. _____

BILL NO. _____ (2020)

A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.76,
MAUI COUNTY CODE, CREATING THE MOLOKAI FARMING
COST REIMBURSEMENT PROGRAM FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Act 387, Session Laws of Hawaii 1988 (“Act 387”), amended in 2016, provides funding to the County of Maui to establish a cost reimbursement program to stimulate business development and growth in diversified agriculture on the island of Molokaʻi. Additionally, Act 387 intends to help Molokaʻi farmers cover the costs of complying with the U.S. Food and Drug Administration Food Safety Modernization Act and state food safety laws. In accordance with Act 387, the County must establish a fund to provide such cost reimbursements. In order to comply with the requirements of Act 387, and to efficiently manage the disbursement of grant funding to recipients, it is now desirable and necessary to establish a dedicated fund.

SECTION 2. Title 3, Maui County Code, is amended by adding a new chapter to be appropriately designated and to read as follows:

“Chapter 3.76

MOLOKAʻI FARMING COST REIMBURSEMENT PROGRAM FUND

Sections:

3.76.010 Fund established.

- 3.76.020 Purpose and uses.**
- 3.76.030 Deposits to the fund.**
- 3.76.040 Administration.**

3.76.010 Fund established. There is established and created a fund to be known as the “Moloka`i farming cost reimbursement program fund.”

3.76.020 Purpose and uses. A. The Moloka`i farming cost reimbursement program fund is established for the purpose of carrying out the cost reimbursement program in accordance with Act 387, session laws of Hawaii, and subject to the following terms and conditions:

1. No cost reimbursement shall be granted unless money has been spent by the applicant toward complying with the U.S. Food and Drug Administration Food Safety Modernization Act or state food safety laws.
2. The total amount of cost reimbursement to any one applicant must not exceed \$5,000.
3. No cost reimbursement will be allowed for costs that were incurred more than five years prior to the date the application for cost reimbursement is received by the County.

3.76.030 – Deposits to the fund. A. There shall be deposited into the Moloka`i farming cost reimbursement program fund:

1. Funding received by the County related to Act 387, session laws of Hawaii.
2. Such supplemental transfers as may be provided by law.

3.76.040 – Administration. A. The director of finance shall establish a separate account to record revenues and supplemental transfers credited to and expenses incurred by the fund.

B. Any proposed appropriation shall be submitted to the council for approval as a budget appropriation in either the annual budget or a proposed amendment to the budget ordinance. In adopting each fiscal year’s budget and capital program, the council may make appropriations to the fund.

C. The revenues in this fund shall not be used for any purpose except the purposes listed in section 3.76.020.

D. The mayor or mayor’s designee, in consultation with the state department of agriculture, must adopt administrative rules necessary to

carry out the purposes of Act 387, session laws of Hawaii, and this chapter.”

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

/s/ Stephanie M. Chen

STEPHANIE M. CHEN

Department of the Corporation Counsel

County of Maui

LF2020-0130

Ch. 3.76 Molokai Farming Cost Reimbursement Fund Ord