

JOSH GREEN, M.D.
GOVERNOR



STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
BOARD OF DIRECTORS

235 SOUTH BERETANIA STREET, ROOM 205
HONOLULU, HAWAII 96813

JAYSON M. WATTS
CHAIRPERSON

JASON OKUHAMA
VICE CHAIRPERSON

JESSE COOKE
DAVE HINAZUMI
GLENN HONG
SHARON HURD, Ex-Officio
CIARA W.K. KAHAHANE, Ex-Officio
DEAN OKIMOTO
KAREN SEDDON
NATHAN TRUMP
DANE K. WICKER, Ex-Officio

BOARD SUBMITTAL TO THE ADMINISTRATION COMMITTEE
May 14, 2026

- Subject:** Discussion and Action Regarding Proposed Amendments to the Corporation Bylaws. The Committee will review and may take action to recommend that the Full Board of Directors adopt specific amendments to the Agribusiness Development Corporation Bylaws. These updates are intended to address governance, fiscal, and recordkeeping deficiencies identified in the 2021 State Performance Audit.
- Authority:** Section 163D-3, Hawaii Revised Statutes
Section 163D-4(a)(3), Hawaii Revised Statutes
Article 3, Section 5, ADC Bylaws
Article 4, Section 1, ADC Bylaws
Article 4, Section 1(1)(c), ADC Bylaws
Article 7, Sections 1 and 2, ADC Bylaws
- Background:** The Agribusiness Development Corporation (ADC) is modernizing its governance framework to address fiscal and recordkeeping deficiencies identified in the 2021 State Performance Audit. These amendments establish a clear structure for board-level accountability while maintaining the existing separation between policy oversight and the day-to-day operations managed by the Executive Director.

Board-Level Oversight vs. Operational Execution To strengthen internal controls, the proposed amendments to Article 3 consider the creation of the additional officer positions of Secretary and Treasurer. These roles are designed to provide high-level board oversight of administrative and fiscal matters, ensuring that staff-led processes meet statutory and audit standards.

Secretary Oversight: The Secretary will have board-level responsibility for ensuring that administrative and clerical staff maintain accurate meeting minutes in accordance with Chapter 92, HRS, and manage a centralized filing system for legal certifications and official records.

Treasurer Oversight: The Treasurer will provide high-level supervision of the annual budget and financial reporting. This role focuses on coordinating with external auditors and ensuring that fiscal staff produce auditable records, providing the Board with independent verification of the Corporation's financial health.

Alignment of Officer Elections The amendments also seek to align the election cycle with current gubernatorial appointment patterns. By moving elections for the Chairperson and Vice-Chairperson to the first meeting on or after July 1st, the Bylaws ensure that newly appointed and confirmed board members—who are legally seated as of the start of the new fiscal year—are the ones selecting the leadership for their term. This change ensures that the Board's leadership reflects the current composition of its voting members.

Request: The formal request is for the Administration Committee to review and recommend that the Full Board of Directors adopt specific amendments to the Agribusiness Development Corporation (ADC) Bylaws to rectify systemic deficiencies.

The purpose of this request is to modernize the Corporation's governance and oversight framework, specifically addressing gaps in fiscal, administrative, and recordkeeping functions that were identified during the 2021 State Performance Audit and which have persisted in the years following.

RECOMMENDATION(S):

Based on the foregoing, it is recommended that the Board discuss and approve the request.

