

1 organization of the enterprise, a marketing information and
2 strategy, the impact on existing agricultural operations
3 throughout the State, and a recommendation for the construction,
4 reconstruction, rehabilitation, improvement, alteration, or
5 repair of any infrastructure or accessory facilities in
6 connection with any project.

7 (c) The corporation may enter into cooperative agreements
8 with coordinating entrepreneurs or public agencies when the
9 powers, services, and capabilities of the persons or agencies
10 are deemed necessary and appropriate for the development and
11 implementation of the business and agricultural development
12 plans.

13 (d) The corporation may purchase, accept, and maintain
14 permanent conservation easements in accordance with the Natural
15 Resources Conservation Service farm and ranch lands protection
16 program.

17 (e) Notwithstanding any provision of this chapter to the
18 contrary, when leasing corporation-controlled agricultural land,
19 the corporation may contract with a financial institution
20 chartered under chapter 412 or a federal financial institution,
21 as defined under section 412:1-109, that is transacting business
22 in this State to provide lease management services. For the



1 purposes of this subsection, "lease management services"
2 includes the collection of lease rent and any other moneys owed
3 to the corporation related to the lease of agricultural land
4 under the corporation's control.

5 ~~(d)~~ (f) The agricultural planning activities of the
6 corporation shall be coordinated with the county planning
7 departments and the county land use plans, policies, and
8 ordinances.

9 ~~(e)~~ (g) The corporation may amend the business and
10 agricultural development plans as may be necessary.

11 ~~(f)~~ (h) Any undertaking by the corporation pursuant to
12 this chapter shall be with the express written consent of the
13 landowner or landowners directly affected."

14 PART II

15 SECTION 3. The purpose of this part is to ensure the long-
16 term availability of lands suitable for agricultural activities
17 by authorizing the agribusiness development corporation to lease
18 lands under its control for up to fifty-five years.

19 SECTION 4. Section 163D-15.6, Hawaii Revised Statutes, is
20 amended to read as follows:

21 "~~(f)~~§163D-15.6 **Commitment and preservation of agricultural**
22 **leases. [f]** (a) The [~~agribusiness development~~] corporation



1 shall work toward obtaining commitments from landowners in the
2 leeward and central districts of Oahu that their agricultural
3 leases shall be for a duration of twenty or more years[~~7~~] and
4 shall not be amended or revoked [~~in order~~] to allow for a
5 nonagricultural use of [~~such~~] the land[-]; provided that for
6 lands in central Oahu acquired under Act _____, Session Laws of
7 Hawaii 2006, the agricultural leases shall be for no more than
8 fifty-five years.

9 (b) To further ensure the preservation of agriculture in
10 the leeward and central districts of Oahu, the [~~agribusiness~~
11 ~~development~~] corporation shall monitor the agricultural leases
12 of lands [~~utilizing~~] using the water from the Waiahole water
13 system. In the event of any proposed amendment or revocation of
14 any such lease, the corporation shall do all things within its
15 powers under [~~+~~]this chapter[~~+~~] to protect and defend the
16 interests of the agricultural leaseholders to ensure the
17 continuation of agricultural use for those lands."

18 PART III

19 SECTION 5. The purpose of this part is to comply with
20 article XI, sections 3 and 10 of the state constitution,
21 relating to the protection of agricultural lands and the
22 promotion of farm ownership and diversified agriculture, by



1 establishing a process to ensure that certain lands in the
2 Waialua area on the island of Oahu:

- 3 (1) Remain available for agricultural use;
- 4 (2) Are properly managed so as to ensure continued
5 economic viability while used for agriculture; and
- 6 (3) Are managed in a manner that is sensitive to and
7 consistent with the needs of farmers in the Waialua
8 area.

9 The legislature finds that this Act is in accordance with
10 article XI, sections 3 and 10 of the state constitution, is in
11 the public interest, and will preserve agricultural activities
12 in the area and a lifestyle that benefits the Waialua community
13 and the community at large.

14 SECTION 6. (a) The agribusiness development corporation
15 is authorized to purchase the agricultural lands located in the
16 Waialua area of the island of Oahu and owned by the Galbraith
17 Estate.

18 (b) The agribusiness development corporation may purchase
19 the lands with revenues derived through the issuance of revenue
20 bonds pursuant to section 163D-9, Hawaii Revised Statutes, and
21 sections 8 and 9 of this Act.



1 (c) The agribusiness development corporation shall submit
2 to the legislature a progress report on its actions to obtain
3 the Waialua agricultural lands owned by the Galbraith Estate not
4 later than twenty days prior to the convening of the 2007
5 regular session.

6 SECTION 7. Section 163D-9, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) The corporation, with the approval of the governor,
9 may issue, from time to time, revenue bonds in amounts not
10 exceeding the total amount of bonds authorized to be issued by
11 the legislature for the purpose of constructing, acquiring,
12 remodeling, furnishing, and equipping any project facility,
13 including the acquisition of the site thereof~~(-)~~, or acquiring
14 agricultural lands through purchase in order to sustain and
15 preserve viable agricultural enterprises within a contiguous
16 geographic area."

17 SECTION 8. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$, or so
19 much thereof as may be necessary for fiscal year 2006-2007, for
20 purchasing agricultural lands owned by the Galbraith Estate in
21 Waialua on the island of Oahu.



1 SECTION 9. The sum appropriated shall be expended by the
2 agribusiness development corporation for the purposes of this
3 Act.

4 PART IV

5 SECTION 10. In printing this Act, the revisor of statutes
6 shall insert the appropriate number of this Act in section 4 of
7 this Act.

8 SECTION 11. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 12. This Act shall take effect on July 1, 2006.



Report Title:

Agricultural Lands; Agribusiness; Waialua

Description:

Authorizes the agribusiness development corporation to issue revenue bonds to obtain agricultural land in Waialua from the Galbraith Estate. Enables the agribusiness development corporation to contract with banks to provide lease management services. Allows corporation to lease agricultural lands in Waialua that it purchases from the Galbraith Estate for up to 55 years. (SD2)

