

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 3068  
H.D. 3

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 3068, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this bill is to promote agricultural development in the Kunia area of Oahu by establishing the Kunia Special Agricultural District (District) and providing specific means through which agricultural development can occur within the District.

The Hawaii Agriculture Research Center, C&H Farms, Meadow Gold Dairies, Hawaii Crop Improvement Association, Pineapple Growers Association of Hawaii, and Hawaii Farm Bureau testified in support of this bill. The Agribusiness Development Corporation and ILWU Local 142 supported the intent of this measure. The City and County of Honolulu Department of Planning and Permitting opposed this bill. The Department of Agriculture, Department of Budget and Finance, and Land Use Research Foundation of Hawaii offered comments.

Your Committee wishes to acknowledge concerns raised that the use of linked investments as specified in this bill may provide the State with below-market rates of return. Additionally, language in the measure may not adequately clarify that the State will not run the risk of losing principal in the case of loan default through a linked investment.

HB3068 HD3 HSCR FIN HMS 2006-2290



Your Committee also wishes to point out that the lack of boundary descriptions for the District makes its delineation difficult and unclear.

However, your Committee believes that the concept of creating a district for agricultural development should be explored further. To encourage continued discussion on the matter, your Committee has amended this bill by:

- (1) Changing the amount of the appropriation to \$1; and
- (2) Changing the effective date to July 1, 2020.

Your Committee has also made technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3068, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 3068, H.D. 3.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
\_\_\_\_\_  
DWIGHT TAKAMINE, Chair



State of Hawaii  
House of Representatives  
The Twenty-third Legislature

HSCR 746-06

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> HB 3068, HD2	<b>Date:</b> 2-24-06			
<b>Committee Referral:</b> EDB, AGR, FIN	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Recommit				
<b>FIN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. TAKAMINE, Dwight Y. (C)	.			✓
2. KAWAKAMI, Bertha C. (VC)	✓			
3. CARROLL, Mele	.			✓
4. CHONG, Pono	✓			
5. EVANS, Cindy	✓			
6. LEE, Marilyn B.	✓			
7. MAGAOAY, Michael Y.	✓			
8. NAKASONE, Bob	✓			
9. NISHIMOTO, Scott Y.	.			✓
10. TANAKA, Kameo	✓			
11. TSUJI, Clift	✓			
12. WAKAI, Glenn	.			✓
13. YAMANE, Ryan I.	✓			
14. YAMASHITA, Kyle T.	✓			
15. MEYER, Colleen Rose	.			✓
16. MOSES, Mark S.	.	✓		
17. PINE, Kymberly	.	✓		
18. STEVENS, Anne V.	.			✓
<b>TOTAL</b>	10	2		6
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
<b>Distribution:</b> Original (White) – Committee                 Duplicate (Yellow) – HMSO                 Duplicate (Pink) – Clerk's Office				