

Honolulu, Hawaii

Feb. 16, 2006

RE: S.B. No. 2155
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred S.B. No. 2155 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to authorize and appropriate funds to the Agribusiness Development Corporation (ADC) for the purchase of agricultural land and enable ADC to lease specific agricultural lands and to contract with banks to provide lease management services.

Testimony in support of this measure was submitted by ADC, the Dean of the University of Hawaii's College of Tropical Agriculture and Human Resources, the Hawaii Farm Bureau, the International Longshore and Warehouse Union Local 142, and the Wahiawa Community and Business Association, Inc.

Your Committee finds that purchasing high-quality agricultural land and providing long-term leases are valuable mechanisms to conserve and protect agricultural lands, as mandated by Article XI, Section 3 of the Hawaii State Constitution. This measure:

- (1) Allows ADC to contract with financial institutions to provide lease management services, which includes the collection of lease rent and any other moneys owed to ADC related to the lease of agricultural lands under its control;



- (2) Authorizes ADC to lease lands under its control;
- (3) Creates a process to ensure that certain lands in Waialua on the island of Oahu remain available for agriculture and managed properly; and
- (4) Appropriates money to ADC to purchase agricultural lands owned by the Galbraith Estate in Waialua on the island of Oahu.

Your Committee has amended this measure by:

- (1) Clarifying that ADC may lease lands under its control for no more than fifty-five years; and
- (2) Making technical, nonsubstantive changes for consistency and style.

Your Committee noted concerns raised by ADC regarding the purchase of lands owned by the Galbraith Estate. Specifically, ADC clarified that the Galbraith Estate owns part of Lake Wilson, and ADC recommends exercising caution regarding assuming liability associated with the lake.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2155, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2155, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Agriculture,


RUSSELL S. KOKUBUN, Chair



