

STAND. COM. REP. NO. 1691

Honolulu, Hawaii

APR 05 2007

RE: H.B. No. 1114  
H.D. 2  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1114, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to promote diversified agriculture in the State.

Specifically, this measure:

- (1) Refocuses and redefines the role and mission of the Agribusiness Development Corporation to its primary responsibility of coordinating and administering the transition of agricultural infrastructure from plantation operations into use by diversified agriculture; and
- (2) Transforms the Molokai irrigation system water users advisory board into the Molokai irrigation system governing board to manage the Molokai irrigation system.

Your Committee has received comments in opposition to this measure from the Department of Agriculture, and the Chairperson and Executive Director of the Agribusiness Development Corporation.



Your Committee finds that at its creation, the Agribusiness Development Corporation's principal responsibility was to take control over the agricultural infrastructure, including irrigation systems, roads, and structures, of large plantation sugar cane and pineapple operations and convert the use of this infrastructure to the benefit of smaller multiple diversified agricultural enterprises. However, the Agribusiness Development Corporation was also directed to provide other services to these diversified agricultural enterprises, including but not limited to undertaking market analysis and promotional studies, providing grants, loans and seed moneys ensuring availability of adequate air and ground transportation to allow local agricultural products to reach local, national, and international markets, and providing training and educational services for persons engaged in agricultural activities.

In spite of all these tasks and responsibilities, the Agribusiness Development Corporation has concentrated its efforts on its primary responsibility, that is, taking over the infrastructure of closing plantation operations, particularly irrigation systems, and maintaining and operating the infrastructure to serve surrounding agricultural lands dependent on the agricultural infrastructure.

Your Committee further finds that historically there have been complaints from the water users of the Molokai irrigation system regarding the maintenance, operation, and costs of the system that are passed down to the water users. One of the purposes of this measure is to give the water users of the Molokai irrigation system more responsibility in the governance of the Molokai irrigation system.

Your Committee has amended this measure by:

- (1) Providing that the Molokai irrigation system governing board's duties and responsibilities shall be to provide direction to the Department of Agriculture by:
  - (A) Setting policy for the operation and directing the expenditures of funds for the irrigation system;
  - (B) Providing support for improvements to the irrigations facilities;



- (C) Participating in the long-range planning of the irrigation system; and
  - (D) Acting as a liaison between the irrigation system water users and the Department of Agriculture; and
- (2) Making technical nonsubstantive changes to this measure for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1114, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1114, H.D. 2, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB 1114 HD2, SD 1</b>	Committee Referral: <b>WAM, WAM</b>	Date: <b>3/29/07</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron				/
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul	/			
<b>TOTAL</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:                              Original                              Yellow                              Pink File with Committee Report             Clerk's Office                        Drafting Agency				

\*Only one measure per Record of Votes