

Honolulu, Hawaii

FEB 14 2007

RE: S.B. No. 837
S.D. 1

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

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 837 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to promote Hawaii's diversified agricultural industry and protect its agricultural lands for long term agricultural activities by authorizing the Agribusiness Development Corporation to purchase and lease privately owned agricultural lands in Kunia.

Specifically, this measure:

- (1) Authorizes the Agribusiness Development Corporation to issue revenue bonds to purchase privately owned agricultural lands in Kunia;
- (2) Appropriates funds to the Agribusiness Development Corporation for the purchase of agricultural lands in Kunia that are owned by private entities;
- (3) Enables the Agribusiness Development Corporation to contract with banks for lease management services; and
- (4) Allows the Agribusiness Development Corporation to lease the Kunia agricultural lands under its control for up to fifty-five years.



Testimony in support of this measure was submitted by the Agribusiness Development Corporation; the Department of Planning and Permitting, City and County of Honolulu; the Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Maui County Farm Bureau; the Hawaii Agriculture Research Center; and one individual. Testimony in opposition to this measure was submitted by the International Longshore and Warehouse Union (ILWU) Local 142.

Protecting agricultural lands is fundamental to Hawaii's future agricultural industry and sustainable food supply. Growing food locally improves Hawaii's food security, and conserves and protects green, open spaces. The agricultural lands in Kunia are one of the best and most productive agricultural lands in the State, but it is also located in an area that has a great demand for residential and urban development.

Your Committee finds that enabling the Agribusiness Development Corporation to purchase agricultural lands in Kunia, and then lease those lands for up to fifty-five years will ensure that these lands will remain for agricultural production. Your Committee believes that the purchase of strategic parcels of agricultural lands, such as the parcels in Kunia, will ensure that these lands will remain in agriculture in perpetuity.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Hawaii Agriculture Research Center to provide that, along with purchasing, accepting, and maintaining permanent conservation easements, the Agribusiness Development Corporation may also transfer the permanent conservation easement to a qualified land trust; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee believes that this measure, as amended, fulfills the intent of this measure, which is to ensure that the agricultural lands in Kunia will remain for agricultural activities, and promote a viable and diversified agricultural industry in Hawaii.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that



is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 837, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 837, 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,
Agriculture, and Hawaiian
Affairs,



RUSSELL S. KOKUBUN, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Water, Land, Agriculture and Hawaiian Affairs
WAH

Bill / Resolution No.:* S.B. 837	Committee Referral: WAH, WAM	Date: 2/7/07		
<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
KOKUBUN, Russell S. (C)	✓			
TOKUDA, Jill N. (VC)	✓			
FUKUNAGA, Carol				✓
HEE, Clayton	✓			
SLOM, Sam	✓			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:	Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	

*Only one measure per Record of Votes