

Honolulu, Hawaii

FEB 14 2007

RE: S.B. No. 934
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. 934 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 issue revenue bonds to
purchase land in Central Oahu from the Galbraith Trust.

Specifically, this measure:

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



Testimony in support of this measure was submitted by the College of Tropical Agriculture and Human Resources, University of Hawaii; the Agribusiness Development Corporation; the Department of Planning and Permitting, City and County of Honolulu; and the Hawaii Farm Bureau Federation. Testimony in opposition to this measure was submitted by Bank of Hawaii as Trustee of the Galbraith Trust. The Department of Budget and Finance submitted comments.

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 Central Oahu owned by the Galbraith Trust are some of the best and most productive agricultural lands in the State, but it is also located in an area that has potential for residential and urban development. Bank of Hawaii, as Trustee of the Galbraith Trust indicated that dissolution of the Galbraith Estate has been initiated and hence, the sale of the Galbraith Estate holdings may soon be forthcoming.

However, your Committee finds that enabling the Agribusiness Development Corporation to purchase agricultural lands owned by the Galbraith Trust, 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 owned by the Galbraith Trust, will ensure that these lands will remain in agriculture in perpetuity, and should be pursued with haste.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of consistency and style.

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. 934, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 934, 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.:* <i>S.B. 934</i>	Committee Referral: <i>WAH, WAM</i>	Date: <i>2/7/07</i>		
<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	<i>2</i>	<i>1</i>	<i>0</i>	<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Clayton Hee</i></div>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes