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## A BILL FOR AN ACT

RELATING TO AGRICULTURAL WATER SYSTEMS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 163D, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§163D-       Agricultural water systems; acquisition. (a)

5 The corporation may acquire or contract to acquire by grant,  
6 purchase, or gift the real, personal, or mixed property of an  
7 agricultural water system to provide water for irrigation of  
8 agricultural lands.

9           (b) The owner of an agricultural water system to be  
10 acquired pursuant to subsection (a) shall provide a description  
11 of the system sufficient to identify the property being  
12 acquired, including a map of the land and description of the  
13 metes and bounds and other information required for recordation  
14 under chapter 502. The conveying of the property of an  
15 agricultural water system to the corporation shall be exempt  
16 from county subdivision requirements."

17           SECTION 2. Section 163D-4, Hawaii Revised Statutes, is  
18 amended to read as follows:



- 1           **"§163D-4 Powers; generally.** (a) Except as otherwise  
2 limited by this chapter, the corporation may:
- 3           (1) Sue and be sued;
- 4           (2) Have a seal and alter the same at its pleasure;
- 5           (3) Make and alter bylaws for its organization and  
6           internal management;
- 7           (4) Adopt rules under chapter 91 necessary to effectuate  
8           this chapter in connection with its projects,  
9           operations, and properties;
- 10          (5) Make and execute contracts and all other instruments  
11          necessary or convenient for the exercise of its powers  
12          and functions under this chapter;
- 13          (6) Carry out surveys, research, and investigations into  
14          technological, business, financial, consumer trends,  
15          and other aspects of agricultural production in the  
16          national and international community;
- 17          (7) Acquire or contract to acquire by grant ~~[or]~~,  
18          purchase, or gift any real, personal, or mixed  
19          property or any interest therein for its immediate or  
20          future use for the purposes of this chapter; own,  
21          hold, improve, and rehabilitate any real, personal, or  
22          mixed property acquired, and sell, assign, exchange,



1 transfer, convey, lease, or otherwise dispose of, or  
2 encumber the same;

3 (8) By itself, or in partnership with qualified persons,  
4 acquire, construct, reconstruct, rehabilitate,  
5 improve, alter, or repair any infrastructure or  
6 accessory facilities in connection with any project;  
7 own, hold, sell, assign, transfer, convey, exchange,  
8 lease, or otherwise dispose of, or encumber any  
9 project;

10 (9) In cooperation with the department of agriculture,  
11 pursuant to chapter 167, or otherwise through direct  
12 investment or coventure with a professional investor  
13 or enterprise or any other person, or otherwise, to  
14 acquire, construct, operate, and maintain water  
15 facilities for conveying, distributing, and  
16 transmitting water for irrigation and agricultural  
17 uses at rates or charges determined by the  
18 corporation; provided that:

19 (A) This chapter shall not be construed to permit or  
20 allow the department of agriculture or [~~any~~] the  
21 agribusiness development corporation to:



- 1 (i) Amend or modify rights or entitlements to  
2 water as provided for by Article XI, section  
3 7, of the Constitution of the State of  
4 Hawaii, or the Hawaiian Homes Commission  
5 Act, 1920, as amended, and chapter 168;
- 6 (ii) Diminish or abridge the traditional and  
7 customary rights of ahupua`a tenants who  
8 inhabited the Hawaiian Islands prior to 1778  
9 under sections 1-1 and 7-1; and
- 10 (iii) Impair, abridge, or terminate the legal  
11 rights or interests to water and its uses,  
12 whether by lease, easement, or other means,  
13 which are possessed or held by organizations  
14 whose primary purpose is to benefit people  
15 of Hawaiian ancestry; and
- 16 (B) All usage of water shall be in accordance with  
17 chapter [†]174C[†] and other applicable laws [~~in~~]  
18 of the State;
- 19 (10) Assist agricultural enterprises by conducting detailed  
20 marketing analysis and developing marketing and  
21 promotional strategies to strengthen the position of



- 1           those enterprises and to better exploit local,  
2           national, and international markets;
- 3       (11) Carry out specialized programs designed to develop new  
4           markets for Hawaii agricultural products;
- 5       (12) Receive, examine, and determine the acceptability of  
6           applications of qualified persons for allowances or  
7           grants for the development of new crops and  
8           agricultural products, the expansion of established  
9           agricultural enterprises, and the altering of existing  
10          agricultural enterprises;
- 11       (13) Coordinate its activities with any federal or state  
12          farm credit programs;
- 13       (14) Grant options to purchase any project or to renew any  
14          lease entered into by it in connection with any of its  
15          projects, on the terms and conditions it deems  
16          advisable;
- 17       (15) Provide advisory, consultative, training, and  
18          educational services, technical assistance, and advice  
19          to any person, partnership, or corporation, either  
20          public or private, in order to carry out the purposes  
21          of this chapter, and engage the services of



- 1 consultants on a contractual basis for rendering  
2 professional and technical assistance and advice;
- 3 (16) Procure insurance against any loss in connection with  
4 its property and other assets and operations in such  
5 amounts and from such insurers as it deems desirable;
- 6 (17) Accept gifts or grants in any form from any public  
7 agency or any other source; and
- 8 (18) Do all things necessary or proper to carry out the  
9 purposes of this chapter.

10 (b) The corporation shall develop, promote, assist, and  
11 market export crops and other crops for local markets."

12 SECTION 3. Section 484-3, Hawaii Revised Statutes, is  
13 amended by amending subsection (a) to read as follows:

14 "(a) Unless the method of disposition is adopted for the  
15 purpose of evasion of this chapter, or unless the subdivider  
16 files in writing with the director that this chapter shall apply  
17 to the subdivider's subdivision, this chapter shall not apply to  
18 offers or dispositions of an interest in land:

19 (1) By a purchaser of subdivided lands for the purchaser's  
20 own account in a single or isolated transaction;



- 1           (2) If fewer than twenty separate lots, parcels, units, or  
2           interests in subdivided lands are offered by a person  
3           in a period of twelve months;
- 4           (3) Where the division of lands is a leasehold  
5           agricultural lot within state agricultural districts  
6           on which no dwelling structures are constructed as  
7           provided in section 205-4.5(e);
- 8           (4) Where real, personal, or mixed property of an  
9           agricultural water system to provide water for  
10           irrigation of agricultural lands is to be conveyed to  
11           the agribusiness development corporation;
- 12        ~~[(4)]~~ (5) On which there is a residential, commercial, or  
13           industrial building, or as to which there is a legal  
14           obligation on the part of the seller to construct a  
15           building on the land within two years from the date of  
16           disposition; provided that the obligation to construct  
17           shall not be, directly ~~[+]~~or~~[+]~~ indirectly,  
18           transferred to or otherwise imposed upon the  
19           purchaser;
- 20        ~~[(5)]~~ (6) To persons who are engaged in, and are duly  
21           licensed to engage in, the business of construction of  
22           buildings for resale, or to persons who acquire an



1 interest in subdivided lands for the purpose of  
2 engaging, and do engage in, and are duly licensed to  
3 engage in, the business of construction of buildings  
4 for resale;

5 [~~6~~] (7) Pursuant to court order;

6 [~~7~~] (8) By any government or government agency;

7 [~~8~~] (9) As cemetery lots or interests; or

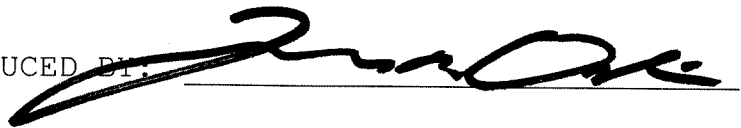
8 [~~9~~] (10) Registered as a condominium property regime  
9 pursuant to chapter 514B."

10 SECTION 4. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval.

13

INTRODUCED BY:



JAN 17 2007





**Report Title:**

Agricultural Water Systems

**Description:**

Allows agribusiness development corporation to acquire agricultural water systems to provide water for irrigation of agricultural lands.

