

Honolulu, Hawaii
Feb 29, 2008

RE: H.B. No. 2292
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2292 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this bill is to enhance the operational flexibility of the Agribusiness Development Corporation (ADC) and preserve valuable agricultural lands by, among other things:

- (1) Specifying that the Legislature, through a bill enacted into law, may authorize ADC to acquire agricultural lands for the protection of agricultural lands, public land banking, or promotion of farm ownership and diversified agriculture;
- (2) Specifying that the landowner who agrees to the sale of lands shall receive payment:
 - (A) In a lump sum;
 - (B) From revenues derived from the issuance of revenue bonds by the ADC; or
 - (C) Through an installment purchase agreement;



- (3) Establishing requirements for the use of installment purchase agreements including the purchase of U.S. Treasury zero coupon bonds;
- (4) Authorizing ADC to acquire specific agricultural lands located on Oahu and owned by the Galbraith Estate through a lump sum payment or an installment purchase agreement;
- (5) Authorizing ADC to purchase, accept, and maintain permanent conservation easements, or transfer these easements to qualified land trust in accordance with the federal Natural Resources Conservation Service Farm and Ranch Lands Protection Program; and
- (6) Allowing ADC to contract with certain financial institutions to provide lease management services when leasing ADC-controlled agricultural land.

The Hawaii Farm Bureau Federation, The Trust for Public Land, and Kamehameha Schools supported this bill. The Department of the Army, ADC, Department of Budget and Finance, Bank of Hawaii, and a concerned individual submitted comments.

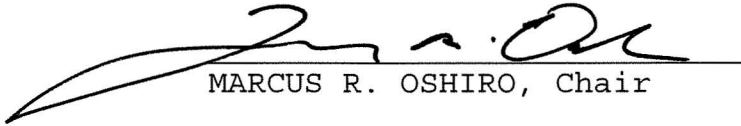
Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2292, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2292, H.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



