

Honolulu, Hawaii

April 29, 2008

RE: H.B. No. 2293
H.D. 1
S.D. 2
C.D. 1

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

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 2293, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to improve the operational flexibility and preserve valuable agricultural lands by, among other things:

- (1) Allowing the Agribusiness Development Corporation (ADC) to purchase, accept, and maintain permanent conservation easements, or transfer these easements to a qualified land trust in accordance with the federal Natural Resources Conservation Service Farm and Ranch Lands Protection Program;



- (2) Allowing ADC to contract with certain financial institutions to provide lease-management services when leasing ADC-controlled lands;
- (3) 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;
- (4) Specifying that the landowner who agrees to the sale of lands under paragraph (3) 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;
- (5) Establishing requirements for the use of installment purchase agreements, including the purchase of U.S. Treasury zero coupon bonds;
- (6) Allowing ADC to issue revenue bonds for the acquisition of certain agricultural lands;
- (7) Authorizing ADC to acquire specific agricultural lands located on Oahu and owned by the Galbraith Estate (Galbraith Lands);
- (8) In the event that an agreement to acquire the Galbraith Lands is not reached within a reasonable time as determined by the Department of Land and Natural Resources (DLNR), requiring DLNR to exercise eminent domain to acquire the Galbraith Lands; and
- (9) Appropriating funds for the purchase of the Galbraith Lands through a lump sum payment or an installment purchase agreement.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Revising the list of specific land parcels that comprise the Galbraith Lands;



- (2) Requiring ADC to work with a negotiating team to review and make recommendations regarding any potential transactions related to the acquisition of the Galbraith Lands;
- (3) Deleting the appropriation for the purchase of the Galbraith Lands through a lump sum payment or an installment purchase agreement;
- (4) Specifying that any moneys made available by appropriation through the Supplemental Appropriations Act of 2008 shall be expended to the extent necessary by ADC for the purchase of the Galbraith Lands; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2293, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2293, H.D. 1, S.D. 2, C.D. 1.


Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE


ON THE PART OF THE HOUSE



JILL TOKUDA, Chair



CLIFT TSUJI, Co-Chair



CLAYTON HEE, Co-Chair



KEN ITO, Co-Chair



ROSALYN H. BAKER, Co-Chair



MARCUS R. OSHIRO, Co-Chair



