

Honolulu, Hawaii

Feb 6, 2008

RE: H.B. No. 2293

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

Sir:

Your Committees on Agriculture and Water, Land, Ocean Resources & Hawaiian Affairs, to which was referred H.B. No. 2293 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

beg leave to report as follows:

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

- (1) Acquire specific agricultural lands located on Oahu and owned by the Galbraith Estate through a combination of general fund appropriations and revenue bonds issued by ADC with the approval of the Governor;
- (2) 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
- (3) Contract with certain financial institutions to provide lease management services when leasing ADC-controlled agricultural land.

The Hawaii Farm Bureau Federation, Wahiawa Community and Business Association, The Trust for Public Land, HPC Foods, Ltd.,

HB2293 HSCR AGR-WLH HMS 2008-1603

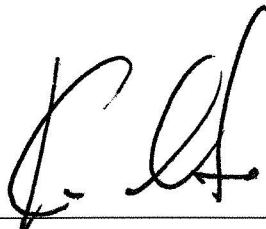


and several concerned individuals supported this bill. The Department of Agriculture, ADC, Hawaii Agriculture Research Center, and the Hawaii Egg Producers Association supported the intent of this measure. The Department of Budget and Finance, Bank of Hawaii, and a concerned individual submitted comments.

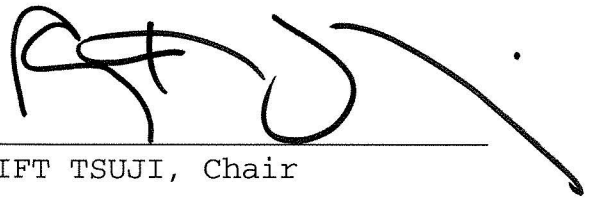
Your Committees find that preserving high-quality agricultural lands for agricultural use is critical to ensuring a viable future for our agricultural industry. This bill represents an important component in the efforts to accomplish this goal. However, your Committees recognize that several issues were raised during the public testimony. Concerns were raised regarding some of the financing mechanisms contained in this measure, including the feasibility of revenue bond financing to purchase the Galbraith Estate lands. General obligation bonds were suggested as an alternative to revenue bonds. Furthermore, suggestions were also made regarding the use of condemnation through eminent domain as a potential method of acquiring the lands. Finally, issues relating to land ownership by the State, including liability concerns, should continue to be discussed as this bill makes its way through the legislative process.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water, Land, Ocean Resources & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2293 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Agriculture and Water, Land, Ocean Resources & Hawaiian Affairs,



KEN ITO, Chair



CLIFT TSUJI, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

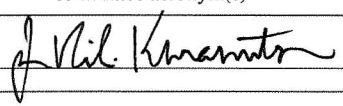
HSCR 193-08

**Record of Votes of the Committee on Agriculture**

<b>Bill/Resolution No.:</b> HB2293	<b>Committee Referral:</b> AGR/WLH, <i>FIN</i>	<b>Date:</b> 01/30/08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)	/			
2. BROWER, Tom (VC)	/			
3. BERG, Lyla B., Ph.D.	/			
4. CHANG, Jerry L.	/			
5. HANOHANO, Faye P.	/			
6. HERKES, Robert N.	/			
7. MANAHAN, Joey	/			
8. WAKAI, Glenn	/			
9. YAMANE, Ryan I.	/			
10. YAMASHITA, Kyle T.	/			
11. CHING, Corinne W.L.		/		
12. MEYER, Colleen Rose			/	
<b>TOTAL (12)</b>	10	1	1	Ø
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> <i>Tom Brower</i>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office				

State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

**Record of Votes of the Committee on Water, Land, Ocean Resources & Hawaiian Affairs**

<b>Bill/Resolution No.:</b> HB 2293	<b>Committee Referral:</b> AGR/WLH, FIN	<b>Date:</b> 1-30-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>WLH Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. ITO, Ken (C)	/			
2. KARAMATSU, Jon Riki (VC)	/			
3. CARROLL, Mele	/			
4. MAGAOAY, Michael Y.	/			
5. MORITA, Hermina M.				/
6. SAGUM, Roland D., III	/			
7. SAIKI, Scott K.				/
8. THIELEN, Cynthia		/		
<b>TOTAL (8)</b>	5	1	0	2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> 				
<b>Distribution:</b> Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				