

STAND. COM. REP. NO. 1497

Honolulu, Hawaii

Month 23, 2007

RE: S.B. No. 1756
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committees on Water, Land, Ocean Resources & Hawaiian Affairs and Agriculture, to which was referred S.B. No. 1756, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS,"

beg leave to report as follows:

The purpose of this bill is to establish a state agricultural land protection program for the voluntary acquisition of agricultural easements on lands identified and designated as important agricultural lands (IALs) by, among other things:

- (1) Establishing the Agricultural Land Protection Foundation (Foundation);
- (2) Requiring the Foundation to adopt rules for, among other things, the evaluation and selection of agricultural easements on IALs, as defined in Chapter 205, Hawaii Revised Statutes (HRS);
- (3) Allowing the Foundation to acquire agricultural easements on IALs;
- (4) Providing that the sale or donation of an agricultural easement on IALs is eligible for tax incentives;



- (5) Restricting lands subject to an agricultural easement to agricultural uses; and
- (6) Establishing the Agricultural Land Protection Fund for the purchase of agricultural easements.

The Department of Agriculture, Hawaii Farm Bureau Federation, and Hawaii Agricultural Research Center testified in support of this bill. The Office of Planning and the Department of Budget and Finance supported the intent of this bill. The Department of Taxation, Hawaii Association of REALTORS, and several concerned individuals provided comments.

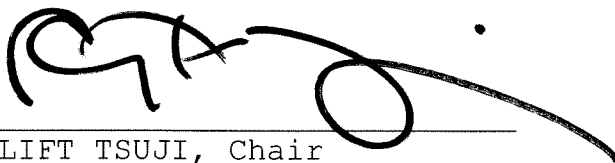
Upon careful consideration, your Committees have amended this bill by substituting the language in the Senate draft with language from House Bill No. 1922, H.D. 1. As amended, this bill, among other things:

- (1) Expedites the designation of IALs by the Land Use Commission (LUC) by:
 - (A) Repealing the existing petition process for landowners or farmers who wish to designate their lands as IALs, and establishing a revised landowner petition process for IAL designation;
 - (B) Exempting the landowner petition process from the stipulation that legislation establishing incentives and protections for IALs be enacted for the designation to take effect;
 - (C) Repealing the county process for identifying and mapping IALs;
 - (D) Requiring the LUC to, in consultation with certain other private and public entities, identify and designate lands as IALs; and
 - (E) Allowing the LUC to initiate designation of IALs;
- (2) Establishes a list of permissible uses for IALS; and
- (3) Revises the list of permissible uses for agricultural lands.



As affirmed by the records of votes of the members of your Committees on Water, Land, Ocean Resources & Hawaiian Affairs and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1756, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1756, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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



CLIFT TSUJI, Chair



KEN ITO, Chair



