

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 1705
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred S.B. No. 1705 entitled:

"A BILL FOR AN ACT RELATING TO THE MOLOKAI IRRIGATION SYSTEM, "

begs leave to report as follows:

The purpose of this measure is to assist in the management of the Molokai Irrigation System by expanding the Molokai Irrigation System Water Users Advisory Board and transforming the board into a governing board with the authority to manage the irrigation system.

Specifically, this measure amends section 167-23, Hawaii Revised Statutes, by:

- (1) Changing the name of the Board from the Molokai Irrigation System Water Users Advisory Board to the Molokai Irrigation System Governing Board;
- (2) Adding five additional members to the Board who will all be homestead farmer users on Molokai, and be appointed by the Governor from a list of nominees submitted by the Hoolehua Homesteaders Association, Molokai Homestead Farmers Alliance, and Hoolehua Homestead Agriculture Association; and



- (3) Permit the Board to manage the Molokai Irrigation System rather than merely advise the Department of Agriculture on matters of concern to the users of the system.

Testimony in support of this measure was submitted by a Council Member of the Maui County Council and one individual. Testimony in opposition to this measure was submitted by the Department of Agriculture. The Department of Hawaiian Home Lands and the Office of Hawaiian Affairs submitted comments.

Water is a vital component to a vibrant diversified agricultural industry. The Molokai Irrigation System that provides farmers and its other users with water has an advisory board, which advises the Department of Agriculture on matters of concern to the users of the system. Your Committee finds that due to the importance of the irrigation system to its users on Molokai, increasing the stakeholders who serve on the Board and allowing the Board to manage the irrigation system will provide a better method for the users to govern the system upon which they rely so heavily.

Your Committee recognizes the disrepair of the Molokai Irrigation System and the dire need for improvements to operate the system to its full potential in terms of its capacity realized. Improvements include the clearing of all transmission line vents and pet cock valves, repair to the generators that service the system, and the need for better vehicles to access the entire system.

Accordingly, your Committee has amended this measure by:

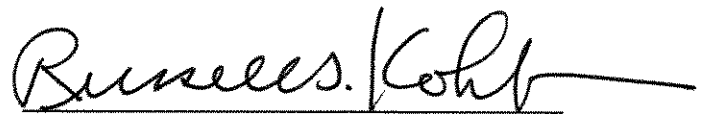
- (1) Amending section 167-23, Hawaii Revised Statutes, further by:
 - (A) Reducing the number of homestead farmer users on the Board from six to four members;
 - (B) Adding an additional nonhomestead farmer user on Molokai on the Board;
 - (C) Adding a designee of the Department of Agriculture on the Board;
 - (D) Allowing the Board to elect a chairperson and serve on the Board for four-year terms;



- (E) Subjecting the board meetings to the sunshine law provisions under chapter 92, Hawaii Revised Statutes;
- (2) Establishing the Molokai Irrigation System Special Fund into which is deposited fifty-five per cent of receipts and revenues collected from the users fees of the Molokai Irrigation System and any legislative appropriations for the purpose of repair and maintenance of the Molokai Irrigation System; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1705, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land,
Agriculture, and Hawaiian
Affairs,



RUSSELL S. KOKUBUN, Chair



