

STAND. COM. REP. NO.

2134

Honolulu, Hawaii

FEB 07 2008

RE: S.B. No. 2641

S.D. 1

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

Madam:

Your Committee on Agriculture and Hawaiian Affairs, to which was referred S.B. No. 2641 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish a five-year moratorium on the development of agricultural lands located in the State for which general planning has not commenced.

Testimony in support of this measure was submitted by HPC Foods, Ltd., the Office of Hawaiian Affairs, Hawaii's Thousand Friends, and one individual.

Testimony in opposition of this measure was submitted by the Office of Planning of the Department of Business, Economic Development and Tourism, the City and County of Honolulu Department of Planning and Permitting, Hawaii Association of Realtors, Maui Contractors Association, Land Use Research Foundation of Hawaii, and two individuals.

The following entities expressed concerns with the measure as drafted: the Department of Agriculture and the Hawaii Farm Bureau Federation. Specifically, the Department of Agriculture expressed concern that the measure could stop legitimate projects caught in the moratorium. The Hawaii Farm Bureau Federation expressed concern that an unintended consequence of the measure would be that lenders could view the moratorium as "downsizing" the values



of agricultural land which would result in increased difficulty for farmers and ranchers to qualify for loans.

Your Committee has amended this measure by changing its effective date to June 1, 2050, for purposes of facilitating further legislative consideration. Your Committee also considered amending the measure to limit the moratorium to agricultural lands on Oahu but believes this issue warrants further consideration and discussion by the Legislature.

As affirmed by the record of votes of the members of your Committee on Agriculture and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2641, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2641, S.D. 1, and be referred to the Committee on Water and Land.

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



JILL TOKUDA, Chair



