

STAND. COM. REP. NO. 346

Honolulu, Hawaii

Feb 18, 2009

RE: H.B. No. 1351

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1351 entitled:

"A BILL FOR AN ACT RELATING TO PRIVATE AGRICULTURAL PARKS,"

begs leave to report as follows:

The purpose of this bill is to assist owners of neighboring agricultural lands by allowing them to establish private agricultural parks, registered with the Department of Agriculture (DOA), that are entitled to the incentives, protections, and priority permit processing procedures extended to lands designated as Important Agricultural Lands (IALs). In addition, this measure allows members within each private agricultural park to:

- (1) Engage in the generation, sale, transmission, and consumption of electricity, exempt from regulation by the Public Utilities Commission (PUC) except to ensure public health and safety;
- (2) Collect, sell, and distribute cold water to any other member of the park, exempt from county and state regulation;
- (3) Collect, sell, store, and distribute nonpotable irrigation water to any other member of the park, exempt from county and state regulation; and

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- (4) Engage in any other lawful activity within the park that benefits one or more members of the park, exempt from county and state regulation.

The County of Hawaii Department of Research and Development, The Kohala Ditch Project, Hawi Agricultural and Energy Corporation, and several concerned individuals supported this bill. DOA opposed this measure.

Your Committee notes that concerns were raised during the public hearing on this measure regarding the scope of the regulatory exemptions allowed for the private agricultural parks. In addition, serious concerns were raised regarding the provision of IAL benefits for lands in the parks that may not be designated as IALs.

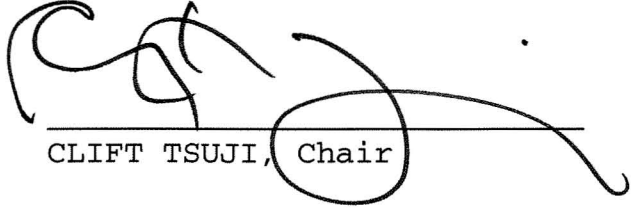
In light of these concerns, your Committee has amended this measure by:

- (1) Deleting the exemptions from county and state regulations, as well as the exemption from PUC regulation;
- (2) Deleting the provision that allows lands in the private agricultural park to access the incentives, protections, and priority permit processing procedures afforded to IALs; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1351, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1351, H.D. 1, and be referred to the Committees on Energy & Environmental Protection and Water, Land, & Ocean Resources.



Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture,



CLIFT TSUJI, Chair



