

JAN 21 2011

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 141-10, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) Subject to legislative appropriation, moneys in the
4 special fund may be expended for the following purposes:

5 (1) The awarding of grants to farmers for agricultural
6 production or processing activity;

7 (2) The acquisition of real property for agricultural
8 production or processing activity;

9 (3) The improvement of real property, dams, reservoirs,
10 irrigation systems, and transportation networks
11 necessary to promote agricultural production or
12 processing activity[+], including investigative
13 studies to identify and assess potentially necessary
14 improvements and repairs to dams, reservoirs,
15 irrigation systems, and in-land transportation
16 networks;

17 (4) The purchase of equipment necessary for agricultural
18 production or processing activity;



- 1 (5) The conduct of research on and testing of agricultural
- 2 products and markets;
- 3 (6) The funding of agricultural inspector positions within
- 4 the department of agriculture;
- 5 (7) The promotion and marketing of agricultural products
- 6 grown or raised in the State; and
- 7 (8) Any other activity intended to increase agricultural
- 8 production or processing that may lead to reduced
- 9 importation of food, fodder, or feed from outside the
- 10 State."

11 SECTION 2. Section 243-3.5, Hawaii Revised Statutes, is

12 amended by amending subsection (a) to read as follows:

13 "(a) In addition to any other taxes provided by law,

14 subject to the exemptions set forth in section 243-7, there is

15 hereby imposed a state environmental response, energy, and food

16 security tax on each barrel or fractional part of a barrel of

17 petroleum product sold by a distributor to any retail dealer or

18 end user of petroleum product, other than a refiner. The tax

19 shall be \$1.05 on each barrel or fractional part of a barrel of

20 petroleum product that is not aviation fuel; provided that of

21 the tax collected pursuant to this subsection:



1 (1) 5 cents of the tax on each barrel shall be deposited
2 into the environmental response revolving fund
3 established under section 128D-2;

4 (2) 15 cents of the tax on each barrel shall be deposited
5 into the energy security special fund established
6 under section 201-12.8;

7 (3) 10 cents of the tax on each barrel shall be deposited
8 into the energy systems development special fund
9 established under section 304A-2169; and

10 (4) [~~15~~] 35 cents of the tax on each barrel shall be
11 deposited into the agricultural development and food
12 security special fund established under section
13 141-10.

14 The tax imposed by this subsection shall be paid by the
15 distributor of the petroleum product."

16 SECTION 3. Act 73, Session Laws of Hawaii 2010, is amended
17 by amending section 14 to read as follows:

18 "SECTION 14. This Act shall take effect on July 1, 2010;
19 provided that sections 2, 3, and 4 [~~and 7~~] of this Act shall be
20 repealed on June 30, 2015, and sections 128D-2, 201-12.8, and
21 243-3.5, Hawaii Revised Statutes, shall be reenacted in the form
22 in which they read on June 30, 2010."



1 SECTION 4. There is appropriated out of the agricultural
2 development and food security special fund the sum of
3 \$ or so much thereof as may be necessary for fiscal
4 year 2011-2012 for plans, design, engineering, investigative
5 studies, construction, renovation, repair, maintenance, and
6 equipment for dam, reservoir, or irrigation system improvements;
7 provided that no funds shall be expended under this Act unless
8 private revenues are received as matching funds on a dollar-for-
9 dollar basis; provided further that priority for expenditures
10 shall be given to dams or reservoirs based on the following
11 criteria in descending order of importance:

- 12 (1) Dams and reservoirs classified as high hazard, as
13 defined in section 179D-3, Hawaii Revised Statutes;
- 14 (2) Dams and reservoirs needing a potentially high degree
15 of dam or reservoir safety improvements pursuant to
16 investigation under section 179D-22; or
- 17 (3) Dams and reservoirs providing beneficial uses to the
18 public such as the support of agricultural activity,
19 provision of drinking water, or serving as important
20 drainage facilities.

21 The sum appropriated shall be expended by the department of
22 land and natural resources for the purposes of this Act.



1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval;
4 provided that section 4 shall take effect on July 1, 2011;
5 provided further that the amendments made by section 2 of this
6 Act to section 243-3.5, Hawaii Revised Statutes, shall not be
7 repealed when that section is reenacted on June 30, 2015,
8 pursuant to Act 73, Session Laws of Hawaii 2010.

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INTRODUCED BY:

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Report Title:

Agriculture; Dams and Reservoirs

Description:

Clarifies that appropriations may be made from the agricultural development and food security special fund for dams and reservoir improvements and investigative studies. Increases barrel tax to 35 cents on each barrel. Makes permanent the agricultural development and food security special fund. Makes appropriation for dam, reservoir, and irrigation system improvements on a matching basis with private entities.

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