



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

July 7, 2014

GOV. MSG. NO. 1333

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 7, 2014, the following bill was signed into law:

HB2179 HD1 SD1 CD1

RELATING TO LOWER HÁMAKUA DITCH
ACT 223 (14)

Alaka'i
Signed
Neil Abercrombie

NEIL ABERCROMBIE
Governor, State of Hawaii

A BILL FOR AN ACT

RELATING TO LOWER HAMAKUA DITCH.

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

1 SECTION 1. The legislature finds that the lower Hamakua
2 ditch is a more-than-century-old agricultural water system that,
3 at its historical high point, provided irrigation water to
4 farmers in the Hamakua area at a maximum delivery capacity of
5 approximately forty million gallons per day. A 2008 study by
6 the department of natural resources and environmental management
7 within the college of tropical agriculture and human resources
8 at the University of Hawaii at Manoa found that use of water
9 from the lower Hamakua ditch averaged twelve million gallons per
10 day at that time.

11 In 1999, a federal watershed project grant provided funding
12 and assistance for the restoration of the lower Hamakua ditch
13 following years of neglect due to the closure of the sugar
14 plantation which it had primarily served. Since then,
15 diversified agricultural production has increased in the area
16 served by the ditch and has been instrumental in the economic
17 recovery of the region. The legislature finds that imposing a
18 cap on water delivery fees for water provided by the lower



1 Hamakua ditch further encourages use of that water, particularly
2 by small family farmers, thereby supporting agricultural
3 production and further increasing economic growth in the Hamakua
4 area.

5 The purpose of this Act is to encourage agricultural
6 production and economic growth by setting a limit on the water
7 delivery fee for water provided by the lower Hamakua ditch
8 irrigation system.

9 SECTION 2. Section 167-6, Hawaii Revised Statutes, is
10 amended by amending subsection (a) to read as follows:

11 "(a) The board of agriculture shall also have the power
12 to:

- 13 (1) Establish and certify the total amount of acreage
14 assessments to be levied annually and collect the
15 assessments within each project;
- 16 (2) Set and from time to time revise tolls that it shall
17 charge for the water provided by its facilities,
18 subject to the rate policies established hereunder;
19 provided that the toll for water provided by the lower
20 Hamakua ditch shall not exceed 20 cents per one
21 thousand gallons;



- 1 (3) Establish priorities between the several lands
2 included in a project according to the use to which
3 the lands are put or other reasonable basis for
4 classification;
- 5 (4) Govern the furnishing of water in the event of a
6 shortage of supply and to correlate water tolls with
7 these priorities;
- 8 (5) Charge and collect water tolls, fees, and other
9 charges established in connection herewith;
- 10 (6) Sell, exchange, transfer, assign, or pledge any
11 property, real or personal, or any interest therein,
12 to any person, firm, corporation, or government,
13 except as prohibited by the laws of the State;
- 14 (7) Hold, clear, and improve property;
- 15 (8) Borrow money for any of the purposes hereunder;
- 16 (9) Insure or provide for the insurance of the property or
17 operations of the board against such risks as the
18 board may deem advisable;
- 19 (10) Include in any construction contract executed in
20 connection with a project, stipulations requiring that
21 the contractor and any subcontractors comply with
22 requirements as to minimum wages and maximum hours of



1 labor, and comply with any conditions that the federal
2 government may have attached to its financial aid of
3 the project;

4 (11) Delegate to the chairperson or employees of the
5 department, subject to the board's control and
6 responsibility, powers and duties as may be lawful or
7 proper for the performance of the functions vested in
8 the board;

9 (12) Set, charge, and collect interest and a service charge
10 on delinquent payments due on water tolls, acreage
11 assessments, or other related accounts; provided that
12 the rate of interest shall not exceed one per cent per
13 month and the service charge shall not exceed \$7 for
14 each delinquent payment;

15 (13) Collect delinquent acreage assessments in accordance
16 with sections 231-61 to 231-70; provided that the
17 chairperson shall have all of the powers provided to
18 the director of taxation or state tax collector under
19 chapter 231 that may be necessary or convenient to
20 collect delinquent acreage assessments;

21 (14) Accept a security interest in real or personal
22 property for a debt restructured under a payment plan



1 for delinquent water tolls, acreage assessments, or
 2 other related irrigation project accounts subject to
 3 the rate of interest set forth in paragraph (12); and
 4 (15) Foreclose upon or otherwise enforce the security
 5 interest accepted under paragraph (14) by any method
 6 provided for by law and to hold title to, maintain,
 7 use, manage, operate, sell, lease, or otherwise
 8 dispose of that personal or real property to recover
 9 the debt secured."

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2015;
 12 provided that on June 30, 2025, this Act shall be repealed and
 13 section 167-6, Hawaii Revised Statutes, shall be reenacted in
 14 the form in which it read on the day before the effective date
 15 of this Act.

APPROVED this 7 day of JUL, 2014

Neil Abernethy
 GOVERNOR OF THE STATE OF HAWAII

