
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 about forty million gallons per day. A 2008 study by the
6 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 primarily served. Since then, diversified
15 agricultural production has increased in the area served by the
16 ditch and has been instrumental in the economic recovery of the
17 region. The legislature finds that imposing a cap on water
18 delivery fees for lower Hamakua ditch water will further



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

4 The purpose of this Act is to encourage agriculture
5 production and economic growth by setting a limit on the water
6 delivery fee for lower Hamakua ditch.

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

9 "(a) The board of agriculture shall also have the power
10 to:

11 (1) Establish and certify the total amount of acreage
12 assessments to be levied annually and collect the
13 assessments within each project;

14 (2) Set and from time to time revise tolls that it shall
15 charge for the water provided by its facilities,
16 subject to the rate policies established hereunder;
17 provided that the toll for water provided by lower
18 Hamakua ditch shall not exceed _____ cents per one
19 thousand gallons;

20 (3) Establish priorities between the several lands
21 included in a project according to the use to which



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



1 government may have attached to its financial aid of
2 the project;

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

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

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

20 (14) Accept a security interest in real or personal
21 property for a debt restructured under a payment plan
22 for delinquent water tolls, acreage assessments, or




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

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2014;
 11 provided that on June 30, 2019, this Act shall be repealed and
 12 section 167-6, Hawaii Revised Statutes, shall be reenacted in
 13 the form in which it read on the day before the effective date
 14 of this Act.

15

INTRODUCED BY:


 Tom Brum
 Hialeah

JAN 21 2014



H.B. NO. 2179

Report Title:

Lower Hamakua Ditch; Irrigation; Toll

Description:

Limits the toll that the Department of Agriculture may charge for water from Lower Hamakua Ditch.

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