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# 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.



**Report Title:**

Lower Hamakua Ditch; Irrigation; Temporary Toll Cap

**Description:**

Limits the toll that the Board of Agriculture may charge for water from Lower Hamakua Ditch. Takes effect on 7/1/2015. Repeals on 6/30/2025. (HB2179 CD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

