

JAN 17 2014

A BILL FOR AN ACT

RELATING TO AGRICULTURAL LANDS.

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

1 SECTION 1. The legislature finds that it is extremely
2 important to support food sustainability and self-sufficiency.
3 In addition, agricultural lands must be preserved to effectuate
4 food growth in the State.

5 The purpose of this Act is to promote food sustainability
6 and self-sufficiency by:

- 7 (1) Creating the agribusiness land and facilities special
8 fund;
- 9 (2) Authorizing the agribusiness development corporation
10 to subdivide agricultural lands and requiring counties
11 to enact an agriculture subdivision code to promote
12 agriculture; and
- 13 (3) Enabling the agribusiness development corporation, in
14 concert with the department of agriculture, to acquire
15 certain agricultural lands through the issuance of
16 revenue bonds.



1 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is
2 amended by adding two new sections to be appropriately
3 designated and to read as follows:

4 **"§163D- Agribusiness land and facilities special fund.**

5 (a) There is established in the state treasury the agribusiness
6 land and facilities special fund, which shall be administered by
7 the corporation and into which shall be deposited:

8 (1) Appropriations made by the legislature to the fund;

9 (2) All revenues from the corporation's operations as
10 allocated by the corporation;

11 (3) All revenues received by the corporation from the
12 lease, management, and operation of agricultural lands
13 identified in section 3 of Act , Session Laws of
14 Hawaii 2014; and

15 (4) Any matching funds or funds from private, nonprofit,
16 county, or federal sources.

17 (b) Moneys in the agribusiness land and facilities special
18 fund shall be used for the operation, management, and
19 maintenance costs relating to the agricultural lands identified
20 in section 3 of Act , Session Laws of Hawaii 2014. The
21 corporation may use contributions of money, labor, materials,



1 and property that may be otherwise available from any person or
2 instrumentality.

3 **§163D- Subdivision; agricultural lease; lease rent**
4 **collection contract; rules.** (a) The corporation may subdivide
5 agricultural lands that are owned or controlled by, or under the
6 jurisdiction of any state agency and may exempt the subdivided
7 lands from infrastructure and road requirements, as necessary,
8 to encourage farming.

9 (b) Each county shall enact an agriculture subdivision
10 code to promote agriculture. In the event that there is no
11 county agriculture subdivision code by 2015, the corporation may
12 establish one.

13 (c) The corporation may offer for lease the subdivided
14 agricultural lands to farmers and shall give priority
15 consideration in awarding leases to farmers who produce, raise,
16 or grow agricultural or livestock products in the State for
17 consumption in the State.

18 (d) The corporation may contract with nonprofit entities
19 or financial institutions relative to land management,
20 collection of rent and lease, and enforcement of nonpayment."

21 SECTION 3. (a) The legislature finds that the lands
22 identified in this section contain soil qualities and growing



1 conditions that support agricultural production of food, fiber,
2 or fuel- and energy-producing crops. These lands also have
3 sufficient quantities of water to support viable agricultural
4 production.

5 The legislature further finds and declares that the lands
6 identified in this section are the type of agricultural lands
7 that should be preserved and protected pursuant to article XI,
8 section 3 of the Hawaii state constitution.

9 (b) The agribusiness development corporation, pursuant to
10 chapter 163D, Hawaii Revised Statutes, and part III of chapter
11 39, Hawaii Revised Statutes, is authorized to issue revenue
12 bonds in an aggregate principal amount not to exceed
13 \$175,000,000, to acquire certain agricultural lands located on
14 the island of Oahu and owned by Dole Food Company, Inc.,
15 identified as tax map keys 6-1-02-01, 6-1-02-23, 6-1-02-24, 6-2-
16 02-02, 6-2-02-04, 6-2-02-23, 6-2-05-02, 6-2-05-35, 6-2-06-01, 6-
17 2-06-02, 6-2-06-04, 6-2-06-06, 6-2-07-02, 6-2-07-04, 6-2-07-07,
18 6-2-07-08, 6-2-07-11, 6-2-08-01, 6-2-08-04, 6-2-08-05, 6-2-08-
19 06, 6-2-08-08, 6-2-08-09, 6-2-08-10, 6-2-08-11, 6-2-08-16, 6-2-
20 08-19, 6-2-10-02, 6-2-10-03, 6-2-10-04, 6-2-10-06, 6-2-10-10, 6-
21 2-10-11, 6-2-10-12, 6-2-11-02, 6-2-11-03, 6-2-11-04, 6-2-11-05,
22 6-2-11-06, 6-2-11-07, 6-2-11-08, 6-2-11-09, 6-2-11-10, 6-2-11-



1 13, 6-2-11-16, 6-2-11-17, 6-2-11-18, 6-2-11-19, 6-2-11-20, 6-3-
2 01-02, 6-3-01-03, 6-3-01-05, 6-4-01-01, 6-4-01-04, 6-4-01-05, 6-
3 4-01-12, 6-4-02-01, 6-4-03-01, 6-4-03-03, 6-4-04-01, 6-4-04-06,
4 6-4-04-08, 6-5-01-14, 6-5-01-30, 6-05-01-31, 6-5-01-32, 6-5-01-
5 44, 6-5-01-45, 6-5-01-46, 6-5-02-01, 6-5-02-05, 6-5-02-06, 6-5-
6 02-07, 6-5-02-08, 6-5-02-11, 6-5-02-18, 6-5-02-19, 6-5-02-23, 6-
7 5-05-02, 6-5-05-03, 6-5-05-04, 6-6-06-11, 6-6-10-10, 6-6-12-01,
8 6-6-14-04, 6-6-18-39, 6-6-20-11, 6-6-22-01, 6-6-23-03, 6-6-24-
9 01, 6-6-25-01, 6-6-25-02, 6-6-25-06, 6-6-27-08, 6-6-27-09, 6-6-
10 27-10, 6-7-01-05, 6-7-01-08, 6-7-01-17, 6-7-01-26, 6-7-01-30, 6-
11 7-01-34, 6-7-01-36, 6-7-01-37, 6-7-01-58, 6-7-01-59, 6-7-01-63,
12 6-7-02-04, 6-7-02-14, 6-7-02-35, 6-7-02-36, 6-7-02-37, 6-7-02-
13 40, 6-7-02-43, 6-7-02-45, 6-7-02-46, 6-7-02-47, 6-7-03-02, 6-7-
14 03-05, 6-7-03-06, 6-7-03-07, 6-7-03-09, 6-7-03-10, 6-7-03-11, 6-
15 7-03-17, 6-7-04-01, 6-7-04-04, 6-7-07-40, 6-7-09-03, 6-7-13-07,
16 6-7-14-17, 6-8-02-05, 6-8-03-09, 6-8-06-17, 6-8-07-05, 7-1-02-
17 04, 7-1-02-06, 7-1-02-11, 7-1-02-23, 7-1-02-34, 7-1-02-35, 7-1-
18 02-36, 7-1-03-19, 7-1-03-47, 7-1-03-57, 7-1-03-66, 7-1-04-16, 7-
19 1-04-24, 7-1-05-45, 7-1-05-51, 7-1-05-59, 7-1-06-06, 7-1-07-15,
20 7-2-01-03, 7-3-15-56, and 7-3-16-44.



1 (c) The proceeds of any revenue bonds issued for the
2 purchase of lands identified in this section shall be deposited
3 into the agribusiness land and facilities special fund.

4 (d) The approval of projects, plans, and programs relating
5 to, and the management and disposition of, any lands acquired
6 pursuant to this section shall be subject to section 163D-8.5,
7 Hawaii Revised Statutes.

8 (e) The water resources developed on lands acquired
9 pursuant to this section shall be reserved for agricultural use
10 and shall be consistent with article XI, section 7 of the Hawaii
11 State constitution.

12 (f) Any lands acquired pursuant to this section that are
13 presently used for agricultural workforce housing shall continue
14 to be used for agricultural workforce housing.

15 SECTION 4. There is appropriated out of the revenue bond
16 proceeds authorized by section 3 of this Act the sum of
17 \$175,000,000 or so much thereof as may be necessary for fiscal
18 year 2014-2015 for the costs of acquiring the interest in
19 certain agricultural lands that are identified as tax map key
20 numbers in section 3 of this Act; provided that:

21 (1) The appropriation shall not lapse at the end of the
22 fiscal year for which the appropriation is made;



1 (2) Before the issuance of revenue bonds, the department
2 of budget and finance shall review the financial
3 feasibility of the bond issuance and ensure all
4 necessary financial reviews have been completed; and

5 (3) All moneys from the appropriation that are
6 unencumbered as of June 30, 2018, shall lapse to the
7 general fund as of that date.

8 The sum appropriated shall be expended by the agribusiness
9 development corporation for the purposes of this Act.

10 SECTION 5. If any provision of this Act, or the
11 application thereof to any person or circumstance, is held
12 invalid, the invalidity does not affect other provisions or
13 applications of the Act that can be given effect without the
14 invalid provision or application, and to this end the provisions
15 of this Act are severable.

16 SECTION 6. New statutory material is underscored.

17 SECTION 7. This Act shall take effect on July 1, 2014.

18

INTRODUCED BY:

Francine Chun Cabana

[Handwritten signature]



S.B. NO. 2560

Report Title:

Acquisition of Oahu Agricultural Lands; Agribusiness Development Corporation; Appropriation

Description:

Creates special fund administered by the Agribusiness Development Corporation (ADC). Authorizes ADC to subdivide agricultural lands and requires establishment of an agriculture subdivision code. Authorizes ADC to issue revenue bonds to acquire certain agricultural lands. Appropriation. Effective July 1, 2014.

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

