

STAND. COM. REP. NO. 887

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1374
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1374, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LAND EXCHANGE,"

begs leave to report as follows:

The purpose and intent of this measure is to allow the State to investigate and take other actions toward acquiring agricultural land.

Specifically, this measure:

- (1) Appropriates \$200,000 from the land conservation fund for the Department of Land and Natural Resources to investigate options, including a land exchange, to acquire conservation district lands owned by Dole Food Company, Inc., that are suitable for watershed management;
- (2) Appropriates \$400,000 from the general fund for the Agribusiness Development Corporation to investigate options, including a land exchange, to acquire lands in Central Oahu that are owned by Dole Food Company, Inc., and suitable for long-term diversified agricultural production;
- (3) Appropriates an unspecified amount to investigate the possibility of a land exchange between the Department of Public Safety and the Department of Agriculture and how



that exchange may assist in acquiring agricultural lands owned by the Dole Food Company, Inc.; and

- (4) Requires the Department of Land and Natural Resources, Department of Public Safety, Department of Agriculture, and Agribusiness Development Corporation to submit a consolidated report to the Legislature on the feasibility of the various land exchanges and the appropriations, legislation, or administrative action required to acquire the agricultural lands owned by Dole Food Company, Inc.

Your Committee received written comments in support of this measure from the Department of Agriculture, Chamber of Commerce Hawaii, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Agriculture Research Center, Hawaii Aquaculture & Aquaponics Association, Agribusiness Development Corporation, Larry Jefts Farms LLC, and three concerned individuals. Your Committee received written comments on this measure from the Department of Land Natural Resources, Office of Hawaiian Affairs, and The Trust for Public Land.

Your Committee finds that Hawaii faces a shortage of high-value agricultural land and that the State should ensure existing agricultural lands remain available for farming. For many farmers, urban sprawl has driven the price of agricultural land beyond what they can afford. Your Committee believes this measure takes meaningful steps toward state acquisition of large parcels of high-quality agricultural land on Oahu. These parcels can in turn be leased to farmers at affordable and predictable lease rental rates to help increase Hawaii's self-sufficiency, sustainability, and food security.

Your Committee has amended this measure by:

- (1) Removing all substantive provisions of this measure by deleting sections 2 through 6;
- (2) Requiring the Governor or the Governor's designee to:
 - (A) Investigate the possibility of acquiring lands that are owned by Dole Food Company, Inc., and suitable for long-term diversified agricultural production, including consideration of a land exchange;



- (B) Negotiate and, as appropriate, facilitate land exchanges with Dole Food Company, Inc., in accordance with chapter 171, Hawaii Revised Statutes;
 - (C) Coordinate with the Agribusiness Development Corporation, the Department of Agriculture, the Department of Land and Natural Resources, and any other state department or agency that holds title or an assignment to an appropriate parcel of land to exchange; and
 - (D) Submit a report to the Legislature on the feasibility of a land exchange and any appropriation, legislation, or administrative action necessary to accomplish the exchange;
- (3) Requiring that title to any lands that the State acquires through an exchange with Dole Foods, Inc., be transferred to the Agribusiness Development Corporation; and
- (4) Appropriating \$400,000 from the Hawaii agriculture development revolving fund for investigation and appraisal costs related to the acquisition of lands owned by Dole Food Company, Inc.

Your Committee notes that pursuant to section 171-50, Hawaii Revised Statutes, any land exchange will require approval from the Legislature, and accordingly, the Governor and the Agribusiness Development Corporation are required to return to the Legislature for approval of any specific land exchange. Your Committee further notes that this measure is not intended to be considered prior legislative approval of any land exchange involving property owned by Dole Food Company, Inc.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1374, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1374, S.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

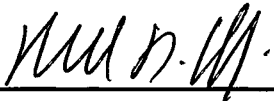


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB1374SD1	Committee Referral: WTL/PSM/VAGL, WAM	Date: 3/3/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam	✓			
TOTAL	11	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes