

Honolulu, Hawaii

FEB 05 2019

RE: S.B. No. 223
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 223 entitled:

"A BILL FOR AN ACT RELATING TO IRRIGATION,"

begs leave to report as follows:

The purpose and intent of this measure is to add positions to the Department of Agriculture's Agricultural Resource Management Division, direct funding to the East Kauai Water Users' Cooperative for the East Kauai irrigation system, and add funding to increase state irrigation system capacity statewide.

Your Committee received testimony in support of this measure from the Department of Agriculture; Larry Jefts Farms, LLC; Saiva Siddhanta Church; Kalepa Coalition; East Kauai Water Users' Cooperative; Hawai'i Farm Bureau; and one individual. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the irrigation system in East Kauai has been operated by volunteer farmers for many years. The East Kauai Water Users' Cooperative (Cooperative) has managed the state-owned reservoir and ditch system in the Kapaa/Kalepa area for the past seventeen years under a year-to-year revocable permit from the Department of Land and Natural Resources (DLNR). In September 2016, the Cooperative was informed by DLNR that the Cooperative must obtain a long-term water lease within three



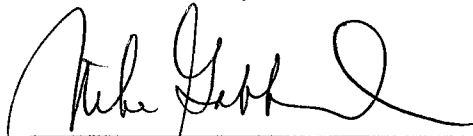
years, which includes a costly Environmental Impact Statement that exceeds the Cooperative's monetary resources. Once the three-year ultimatum expires in early 2020, DLNR will no longer renew the irrigation system's revocable permit, the Cooperative will have to cease operations, and the irrigation system, including the recently renovated Wailua and Upper Kapahi reservoirs, will revert to DLNR control and possibly face abandonment.

Your Committee recognizes that there is a need for continued irrigation access, which also supports the State's goal of doubling local food production. Thus, your Committee finds that appropriating funds to the Department of Agriculture to add positions, support the East Kauai irrigation system, and increase irrigation system capacity statewide fulfills the need for continued irrigation access and related support.

Pursuant to testimony submitted by the Department of the Attorney General, your Committee has amended this measure by changing the funding lapse date from June 30, 2024, to June 30, 2022, to ensure that issued government obligation bonds lapse in three years in accord with the state constitution.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 223, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 223, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture and
Environment,

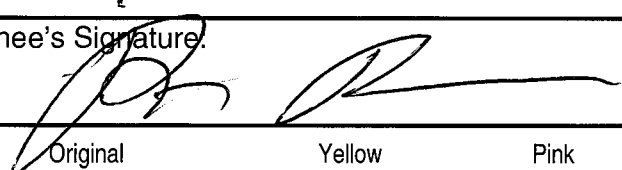


MIKE GABBARD, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 223	AEN, WAM	1-30-19		
<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
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)	X			
RHOADS, Karl	X			
THIELEN, Laura H.	X			
FEVELLA, Kurt				X
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes