

STAND. COM. REP. NO.

447

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 1539
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred S.B. No. 1539 entitled:

"A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds to offset the debt for the Waiahole Water System.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation; Hawai'i Farm Bureau; Hawai'i Farmers Union United; Land Use Research Foundation of Hawaii; Hawai'i Food+ Policy; Hawaii Agriculture Research Center; Larry Jefts Farms, LLC.; and one individual.

Your Committee finds that the Waiahole Water System diverts approximately twenty-seven million gallons of water per day from the windward to the leeward side of Oahu. In 1998, the Agribusiness Development Corporation (ADC) was authorized to acquire the system, which required reimbursement to the State for a part of the acquisition costs. However, this debt has continued to burden ADC, hindering its ability to maintain and improve the system. Accordingly, this measure will alleviate the financial burden on the ADC by appropriating funds to offset this debt.



Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1539, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1539, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Tourism,


LYNN DECOITE, Chair



