STAND. COM. REP. NO. 3109

Honolulu, Hawaii

## MAR 2 4 2006

RE: H.B. No. 2178

H.D. 1 S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred H.B. No. 2178, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS,"

begs leave to report as follows:

The purpose of this measure is to authorize special purpose revenue bonds for certain agricultural enterprises that construct or renovate irrigation systems or infrastructure, which directly benefit and serve important agricultural lands.

Testimony in support of this measure was submitted by the Department of Agriculture, the Department of Budget and Finance, the University of Hawaii's College of Tropical Agriculture and Human Resources, the Hawaii Agriculture Research Center, the Hawaii Farm Bureau Federation, and the Land Use Research Foundation of Hawaii. Testimony in opposition to this measure was submitted by Earthjustice.

Your Committee finds that Hawaii's agriculture industry has the ability to be globally competitive in developing high-value products that take advantage of Hawaii's brand identity. Thus, your Committee further finds that encouraging agricultural development will pay not only financial dividends to the State, but environmental and social dividends as well. This measure helps agriculture take steps in that direction.

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Your Committee has amended this measure by:

- (1) Replacing all references to "agricultural enterprises that construct or renovate irrigation systems or infrastructure that directly benefit and serve important agricultural lands" with "agricultural businesses operating on important agricultural lands" so that the terms in this measure are consistent with the terms in related constitutional amendments;
- (2) Adding a provision that requests the Revisor of Statutes to substitute the appropriate section numbers for the letters used in designating the new sections; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2178, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2178, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Water, Land, and Agriculture,

RUSSELL S. KOKUBUN, Chair

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## The Senate Twenty-Third Legislature State of Hawaii

## Record of Votes of the Committee on Water, Land and Agriculture (Bills and Resolutions)

| Measure:*  HB2/78 HD1 WLA, WAM 3/22/66  The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to: |                                       |  |  |         |  |  |  |  |  |
|--|---------------------------------------|--|--|---------|--|--|--|--|--|
|  |                                       |  |  |         | The Recommendation is to:  |  |  |  |  |
|  |                                       |  |  |         | Pass, unamended ass, with amendments Hold Recommit (2312) (2311) (2310) (2313) |  |  |  |  |
| Members  | Ayes                                  | Ayes(WR)   | Nays   | Excused |  |  |  |  |  |
| KOKUBUN, Russell S. (C)  | V                                     |  |  |         |  |  |  |  |  |
| HOOSER, Gary L. (VC)   |                                       |  |  |         |  |  |  |  |  |
| ENGLISH, J. Kalani   | V                                     | Name of the second seco |  |         |  |  |  |  |  |
| FUKUNAGA, Carol  |                                       |  |  |         |  |  |  |  |  |
| HEMMINGS, Fred   |                                       |  |  |         |  |  |  |  |  |
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|  | OR DESCRIBE COMMENSAGE AND ASSESSMENT | A 20 to 10 t | complete to the other provides the control of the c | 1       |  |  |  |  |  |
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| TOTAL  | 4                                     |  |  | 1       |  |  |  |  |  |
| Recommendation:  Adopted Not Adopted   |                                       |  |  |         |  |  |  |  |  |
| Chair's or Designee's Signature:   |                                       |  |  |         |  |  |  |  |  |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy                               |                                       |  |  |         |  |  |  |  |  |

<sup>\*</sup>Do not list more than one measure per Record of Votes.