
A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

1 SECTION 1. Article XI, section 3, of the state
2 constitution mandates the State to "conserve and protect
3 agricultural lands, promote diversified agriculture, increase
4 agricultural self-sufficiency and assure the availability of
5 agriculturally suitable lands." To promote, in part, that
6 mandate, the department of agriculture maintains the state
7 irrigation system that consists of five separate irrigation
8 systems, two on Oahu, two on the island of Hawaii, and one on
9 Molokai. To ensure affordable water rates for its users, the
10 state irrigation system annually supplements its income from
11 fees and assessments with general fund appropriations.

12 However, only a fraction of all agricultural water users
13 have access to the state irrigation system. Those water users
14 without access to the state irrigation system in many cases rely
15 on the counties to provide irrigation water at agricultural
16 rates. In all cases, these county rates are substantially
17 higher than the state irrigation system rates. This disparity



1 results in the inequitable treatment of agricultural water users
2 without access to the subsidized state irrigation system.

3 The purpose of this Act is to require the department of
4 agriculture to reimburse those agricultural water users who
5 cannot access a state irrigation system for the difference
6 between the actual water rates they pay to the counties at
7 agricultural rates and the water rates that the department
8 charges its state irrigation system water users.

9 SECTION 2. Chapter 167, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§167- County water users; reimbursement. (a) Any
13 county water user shall be entitled to a reimbursement from the
14 department of agriculture for the difference between the actual
15 costs of irrigation water that the county water user paid to the
16 county and the cost of the equivalent amount of irrigation water
17 had that amount of irrigation water been provided by the state
18 irrigation system.

19 (b) By January 31 of each year, on forms to be prescribed
20 and provided by the department of agriculture, a county water
21 user may submit a request for a reimbursement for the difference
22 between the actual cost that the county water user incurred and



1 paid to a county for irrigation water during the previous
2 calendar year, and the cost for the equivalent amount of
3 irrigation water that the county water user would have paid had
4 the county water user been able to obtain the irrigation water
5 from the state irrigation system. Within sixty days of the
6 submittal of the request for reimbursement, the department of
7 agriculture shall pay the amount due to the county water user.
8 The department of agriculture may require the county water user
9 to furnish reasonable information to ascertain the validity of
10 the claim for reimbursement. Failure to comply with this
11 subsection shall constitute a waiver of the right to
12 reimbursement.

13 (c) For purposes of this section, "county water user"
14 means a consumer of irrigation water that qualifies to receive
15 irrigation water from a county at agricultural rates."

16 SECTION 3. Section 167-22, Hawaii Revised Statutes, is
17 amended by amending subsection (b) to read as follows:

18 "(b) The irrigation system revolving fund shall be
19 administered by the department of agriculture. Moneys in the
20 revolving fund shall be expended for:

21 (1) Administrative costs, engineering surveys, economic
22 studies, plans, and maps; [~~and~~]



1 (2) Reimbursements paid to county water users pursuant to
 2 section 167- ; and
 3 [~~2~~] (3) Other water projects or purposes of the board of
 4 agriculture.

5 In the event any moneys are expended from the revolving
 6 fund for engineering surveys, economic studies, plans, and other
 7 expenses directly attributable to any water project, or for the
 8 establishment of any water project, the amount of the
 9 expenditures shall be reimbursed to the revolving fund from any
 10 funds received by the board for and on account of the project."

11 SECTION 4. This Act does not affect rights and duties that
 12 matured, penalties that were incurred, and proceedings that were
 13 begun, before its effective date.

14 SECTION 5. Statutory material to be repealed is bracketed
 15 and stricken. New statutory material is underscored.

16 SECTION 6. This Act shall take effect July 1, 2007.

17

INTRODUCED BY:

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Report Title:

Agriculture; Irrigation

Description:

Requires department of agriculture to reimburse agricultural water user who pays county agriculture water rates the difference between the rate they paid and the rate charged by the state irrigation systems.

