

JAN 23 2015

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

SECTION 1. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§141- Affordable farming land trust. (a) The department of agriculture shall establish an affordable farming land trust for the purpose of providing affordable long-term, renewable leases to farmers.

(b) The affordable farming land trust may hold title to land and lease land to farmers; provided that:

(1) The lease shall be designed to promote the establishment of sustainable family farms and to allow farmers to build equity in their farms;

(2) The primary use of the land shall be for growing crops;

(3) Farm dwellings shall be occupied exclusively by farmers and their immediate family members;



(4) The terms of the lease shall give the affordable farming land trust the first option to purchase any structural improvement placed on the land; and

(5) The lease may have an initial term of not more than ninety-nine years.

(c) The affordable farming land trust shall be a member-based organization and reserve core mission decisions for the members.

(d) The affordable farming land trust may:

(1) Adopt, amend, and repeal bylaws governing the conduct of its business;

(2) Execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of its powers;

(3) Acquire property;

(4) Buy and sell farm-related structures and facilities; and

(5) Receive moneys from donations, membership fees, the State, the counties, or the federal government.

(e) For purposes of this section, "affordable farming land trust" means a nonprofit organization that:



- 1 (1) Acquires parcels of land, held in perpetuity,
2 primarily for conveyance under long-term ground
3 leases;
- 4 (2) Transfers ownership of any structural improvements
5 located on leased parcels to the lessees;
- 6 (3) Has its corporate membership open to any adult
7 resident of a particular geographic area specified in
8 the organization's bylaws;
- 9 (4) Retains a first option to purchase any structural
10 improvement at a price determined by formula that is
11 designed to ensure that the improvement remains
12 affordable to farmers; and
- 13 (5) Is governed by a board of directors that:
14 (A) Includes a majority of members who are elected by
15 the corporate membership; and
16 (B) Is composed of equal numbers of lessees,
17 corporate members who are not lessees, and any
18 other category of persons described in the bylaws
19 of the organization."

20 SECTION 2. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.

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S.B. NO. 719

Report Title:

DOA; Affordable Farming Land Trust

Description:

Requires DOA to establish an affordable farming land trust for the purpose of providing affordable long-term, renewable leases to farmers.

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