JAN 2 5 2017

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

- 1 SECTION 1. The legislature finds that over the past four
- 2 decades there has been a steady decline of agricultural
- 3 plantations located in Hawaii. A recent report released by the
- 4 department of agriculture, Statewide Agricultural Land Use
- 5 Baseline 2015, shows a dramatic change in agricultural land over
- 6 the last thirty-five years as sugar production and pineapple
- 7 production have downsized. According to the department of
- 8 agriculture, there are 151,830 acres of agricultural land in
- 9 crop production today compared to 350,830 acres in crop
- 10 production in 1980. Due to the rapid downsizing and closure of
- 11 agricultural companies in the State, there are large tracts of
- 12 land and empty industrial facilities currently available for
- 13 agricultural economic growth.
- 14 The legislature further finds that it is the State's
- 15 responsibility under article XI, section 3, of the Hawaii State
- 16 Constitution to conserve and protect agricultural lands, promote
- 17 diversified agriculture, increase agricultural self-sufficiency,

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- 1 and assure the availability of agriculturally suitable lands.
- 2 Hawaii's current agricultural production is insufficient to meet
- 3 the State's food consumption needs, and an over-reliance on
- 4 imported food creates critical health, safety, and security
- 5 issues for Hawaii. Therefore, the legislature further finds
- 6 that the creation of an agribusiness land and facilities special
- 7 fund is vital.
- 8 The purpose of this Act is to establish the agribusiness
- 9 land and facilities special fund to acquire, lease, manage, and
- 10 operate large tracts of former agricultural land in the State
- 11 for agricultural economic development.
- 12 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is
- 13 amended by adding a new section to be appropriately designated
- 14 and to read as follows:
- 15 "§163D- Agribusiness land and facilities special fund.
- 16 (a) There is established in the state treasury the agribusiness
- 17 land and facilities special fund, to be administered by the
- 18 corporation, to acquire certain large tracts of former
- 19 agricultural land located in Hawaii and into which shall be
- 20 deposited:
- 21 (1) Appropriations made by the legislature to the fund;



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1	(2)	All revenues from the corporation's operations as
2		allocated by the corporation;
3	(3)	All revenues received from the corporation from the
4		acquisition, lease, management, and operation of the
5		large tracts of former agricultural land; and
6	(4)	All proceeds from revenue bonds issued pursuant to
7		this chapter.
8	(b)	Moneys in the agribusiness land and facilities special
9	fund shal	l be used for the following purposes:
10	(1)	Acquisition, operation, and maintenance costs relating
11		to large tracts of former agricultural lands; and
12	(2)	Debt service on revenue bonds authorized and issued
13		under this chapter.
14	<u>(c)</u>	The corporation may utilize contributions of money,
15	labor, ma	terials, and property that may be otherwise available
16	from any	person or instrumentality.
17	(d)	No expenditure, use, or transfer of funds from the
18	agribusin	ess land and facilities special fund by the corporation
19	shall be	subject to chapter 42F or 103D.

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- (e) For the purposes of this section, "large tracts of
- 2 former agricultural land" means tracts of land formerly used for
- 3 the purpose of agriculture in the State."
- 4 SECTION 3. New statutory material is underscored.
- 5 SECTION 4. This Act shall take effect on July 1, 2017.

INTRODUCED BY:

2017-1037 SB SMA.doc

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Report Title:

Agribusiness Land and Facilities Special Fund; Former Agriculture Land; Economic Development

Description:

Establishes the agribusiness land and facilities special fund to acquire, lease, manage, and operate large tracts of former agricultural land in the State for purposes of agricultural economic development.

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