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# 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,  
18 and assure the availability of agriculturally suitable lands.



1 Hawaii's current agricultural production is insufficient to meet  
 2 the State's food consumption needs, and an over-reliance on  
 3 imported food creates critical health, safety, and security  
 4 issues for Hawaii. Therefore, the legislature further finds  
 5 that the creation of an agribusiness land and facilities special  
 6 fund is vital.

7 The purpose of this Act is to establish the agribusiness  
 8 land and facilities special fund to acquire, operate, and  
 9 maintain large tracts of former agricultural land in the State  
 10 for agricultural economic development.

11 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is  
 12 amended by adding a new section to be appropriately designated  
 13 and to read as follows:

14 "§163D- Agribusiness land and facilities special fund.

15 (a) There is established in the state treasury the agribusiness  
 16 land and facilities special fund, to be administered by the  
 17 corporation, to acquire certain large tracts of former  
 18 agricultural land located in Hawaii and into which shall be  
 19 deposited:

20 (1) Appropriations made by the legislature to the fund;



- 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 shall 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       (c) The corporation may utilize contributions of money,
- 15       labor, materials, and property that may be otherwise available
- 16       from any person or instrumentality.
- 17       (d) Upon adoption of rules pursuant to chapter 91
- 18       governing expenditures by the corporation, no expenditure, use,
- 19       or transfer of funds from the agribusiness land and facilities
- 20       special fund by the corporation shall be subject to chapter 42F
- 21       or 103D.



1        (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.

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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, operate, and maintain large tracts of former  
agricultural land in the State for purposes of agricultural  
economic development. (SD1)

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not legislation or evidence of legislative intent.*

