

STAND. COM. REP. NO.

81

Honolulu, Hawaii

FEB 04 , 2025

RE: H.B. No. 912  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Agriculture & Food Systems, to which was referred H.B. No. 912 entitled:

"A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds to the Agribusiness Development Corporation to offset the financial burden of reimbursement of debt service for the Waiahole water system.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation; Land Use Research Foundation of Hawaii; Hawai'i Farmers Union; Kunia Village Title Holding Corporation; Hawai'i Farm Bureau; Hawaii Agriculture Research Center; Bayer; Larry Jefts Farms, LLC; and four individuals.

Your Committee finds that the Waiahole water system is a vital component of Hawaii's agricultural infrastructure, providing a dependable water source for thousands of acres of productive farmland on Oahu. Originally constructed to support sugarcane plantations, the system now plays a crucial role in sustaining diversified agriculture, which is essential to the State's long-term food security and economic resilience. However, the

2025-1305 HB912 HD1 HSCR HMSO



financial burden of repaying acquisition costs has strained the Agribusiness Development Corporation, limiting its ability to maintain and improve the system. This measure addresses this issue by appropriating funds to offset the remaining debt, ensuring that farmers and ranchers who rely on this irrigation system can continue to operate without excessive financial strain.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully respects your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$4,411,426.49 for fiscal year 2025-2026 to be deposited into the Waiahole Water System Revolving Fund; and \$426,370 for fiscal year 2025-2026 and \$427,172 for fiscal year 2026-2027 for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 912, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 912, H.D. 1, and be referred to your Committee on Water & Land.

Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture & Food  
Systems,

  
KIRSTIN KAHALOA, Chair



