

STAND. COM. REP. NO.

1449

Honolulu, Hawaii

APR 01 2025

RE: S.R. No. 73

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred S.R. No. 73 entitled:

"SENATE RESOLUTION REQUESTING THE AGRIBUSINESS DEVELOPMENT CORPORATION TO ASSUME RESPONSIBILITY FOR THE ROUTINE MAINTENANCE AND REPAIR OF THE KOHALA DITCH,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Agribusiness Development Corporation to assume responsibility for the routine maintenance and repair of the Kohala Ditch.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation.

Your Committee finds that the Kohala Ditch, a twenty-six mile long irrigation ditch on Hawaii island, has become a vital source of water for farmers and ranchers in North Kohala, supplying over five million gallons of water a day. Your Committee further finds that a rockslide in 2021 damaged the irrigation system, leading to increased operation costs for farmers and ranchers in the region. While the Legislature allocated \$10 million in 2023 to restore and reactivate the Kohala Ditch System, that funding has yet to be utilized for any repairs. Given the critical role the Kohala Ditch plays in the State's agricultural production, its routine maintenance and repair must be provided for by the State to resolve the current damage and avoid future years-long disruptions to the water supply. The restoration of the Kohala Ditch will

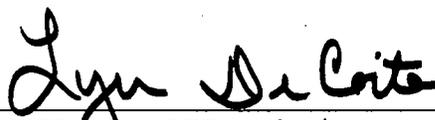


require time, money, and a well-qualified coordinating authority with knowledge of local infrastructure and the agricultural industry, as the repairs will require significant cooperation between the patchwork of private and public land owners that the irrigation system bisects. Your Committee concludes that the Agribusiness Development Corporation, whose mandate is to coordinate and administer programs to assist agricultural enterprises, is the best agency to undertake these repairs.

Your Committee notes that Act 164, Session Laws of Hawaii 2023 (Act 164), allocated \$10 million to be expended by the Department of Agriculture for the design and construction for repairs to restore and reactivate the Kohala Ditch System. Your Committee further notes that currently the funds allocated in Act 164 have not been released to the Kohala Ditch Co-Op, Incorporated, the intended grantee, that was formed in 2019 to manage the Kohala Ditch. Your Committee finds that this issue raises concerns that merit further consideration including transferring the \$10 million appropriated by Act 164 from the Department of Agriculture to the Agribusiness Development Corporation.

As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 73 and recommends its adoption.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Tourism,


LYNN DECOITE, Chair



