
A BILL FOR AN ACT

RELATING TO AGRICULTURAL DEVELOPMENT.

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

1 SECTION 1. The legislature finds that Kau, on Hawaii
2 island, has long been a cornerstone of the State's agricultural
3 heritage. Following the decline of the region's large-scale
4 sugar plantations in the 1990s, Kau has successfully
5 transitioned to a home of a diverse range of agricultural
6 enterprises, including fruit and vegetable farming, coffee
7 cultivation, macadamia nut production, and livestock grazing.

8 The legislature further finds that Kau's fertile lands,
9 coupled with its farmers' resilience and adaptability, uniquely
10 position the region to enhance the State's agricultural
11 resilience and contribute meaningfully to the State's food
12 security. Despite these strengths, Kau's steadfast independence
13 and self-reliance have often led to the region being overlooked
14 for state assistance in farming initiatives.

15 The legislature also finds that to address this disparity,
16 it is necessary for the agribusiness development corporation
17 (ADC) to acquire agricultural land in Kau to be used to support



1 local farmers. Doing so will strengthen local farming
2 operations, promote sustainable agriculture, and advance the
3 objectives of the ADC.

4 The legislature further finds that the ADC's mission is to
5 acquire and manage, in partnership with farmers, ranchers, and
6 aquaculture groups, selected high-value lands, water systems,
7 and infrastructure for commercial agricultural use and to direct
8 research into areas that will lead to the development of new
9 crops, markets, and lower production costs.

10 The legislature believes that, given the unique history of
11 the community of Kau, robust community outreach and legislative
12 oversight are critical to ensuring that the community's needs
13 and aspirations are fully considered. Therefore, engaging
14 community in discussions regarding the role of the ADC will help
15 identify the specific types of support, resources, and
16 initiatives that align with the goals of local farmers and
17 uphold the values of the region.

18 The legislature also finds that the ADC is uniquely
19 equipped to provide critical support to farmers in the region
20 through land leasing options, increased agricultural production,
21 access to strategic resources, workforce development,



1 infrastructure enhancements, land preservation, and overall
2 economic growth, while ensuring that local lands remain in local
3 hands by preventing acquisition by foreign buyers.

4 Accordingly, the purpose of this Act is to authorize the
5 issuance of general obligations bonds to the ADC to finance the
6 purchase of a parcel of land located in Kau, identified as tax
7 map key: (3) 9-6-5:63, for agricultural development.

8 SECTION 2. The director of finance is authorized to issue
9 general obligation bonds in the sum of \$ or so much
10 thereof as may be necessary and the same sum or so much thereof
11 as may be necessary is appropriated for fiscal year 2025-2026
12 for the purpose of financing the purchase of a parcel of land
13 identified as tax map key: (3) 9-6-5:63 from the Ellis Jacob
14 Hester Trust, its fee owner, for agricultural development.

15 SECTION 3. The sum appropriated in section 2 of this Act
16 shall be expended by the agribusiness development corporation
17 for the purposes of this Act.

18 SECTION 4. The appropriation made for the capital
19 improvement project authorized by this Act shall not lapse at
20 the end of the fiscal biennium for which the appropriation is



1 made; provided that all moneys from the appropriation
2 unencumbered as of June 30, 2028, shall lapse as of that date.

3 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

ADC; Kau; GO Bonds; Appropriation

Description:

Authorizes the issuance of general obligation bonds to the Agribusiness Development Corporation for the purchase of a land parcel in Kau for agricultural development. Effective 7/1/2050. (SD1)

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