

JAN 21 2026

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

SECTION 1. Chapter 163D, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

"§163D-A Agricultural conservation easement program; established. (a) The corporation shall establish an agricultural conservation easement program whereby the corporation may purchase an agricultural conservation easement, created by deed, restrictions, covenants, or conditions or through the purchase of development rights, from a willing land owner to preserve and protect the land for agricultural use in perpetuity.

(b) To purchase an agricultural conservation easement from a land owner, the corporation shall pay a land owner an amount not to exceed the difference between the fair market value of the land and the fair market value of the land restricted for agricultural purposes.



1 (c) The corporation shall adopt rules to determine the
2 priority order of land for which agricultural conservation
3 easement may be purchased, based on characteristics of the land
4 that shall include but not be limited to the following:

5 (1) Soil quality;

6 (2) Water and irrigation access;

7 (3) Proximity to processing facilities for agricultural
8 products produced from the land;

9 (4) Contribution to food security;

10 (5) Cultural value; and

11 (6) Environmental value.

12 (d) Title to agricultural conservation easements shall be
13 held by the State; provided that if a county in which the land
14 is located provides assistance deemed satisfactory to the
15 corporation, including but not limited to providing funds toward
16 the purchase of the easement, providing legal services, and
17 enforcing the easement, that county shall hold title to the
18 easement jointly with the State.

19 (e) Notwithstanding subsection (d), the corporation may
20 establish cooperative agreements with the counties, United
21 States Department of Agriculture, and United States Department



1 of Agriculture's Natural Resources Conservation Service,
2 nonprofit land trusts, and private individuals or organizations
3 to receive matching funds for the purchase of agricultural
4 conservation easements pursuant to this section; provided that
5 the corporation may require, by contract, shared monitoring of
6 land with the agency or organization who provides matching funds
7 pursuant to this subsection and allow for the imposition of any
8 penalties or remediation for any violations by the agency or
9 organization.

10 (f) The corporation may coordinate the sharing of data
11 with the department of agriculture, land use commission, Hawaii
12 community development authority, and the counties for parcel
13 vetting and compliance with the agricultural conservation
14 easement program prior to the purchase of an agricultural
15 conservation easement.

16 (g) The corporation shall submit an annual report to the
17 legislature no later than twenty days prior to the convening of
18 each regular session on the status of the agricultural
19 conservation easement program. The annual report shall include
20 the following:

21 (1) Total number of acres preserved;



(2) Total amount of funds expended and leveraged; and

(3) Any outcomes the corporation deems relevant for the purposes of this section, including agricultural production capacity and farmer or rancher access.

(h) No later than January 1, 2028, the corporation shall adopt rules pursuant to chapter 91 to carry out the purposes of this section.

§163D-B Agricultural conservation easement management

special fund; established. (a) There is established within the state treasury, to be administered by the corporation, an agricultural conservation easement management special fund, into which shall be deposited:

(1) Any revenue or fees collected from the agricultural conservation easement program established pursuant to section 163D-A;

(2) Appropriations from the legislature;

(3) Grants, awards, donations, gifts, transfers, or moneys derived from public or private sources; and

(4) Any interest earned or accrued on moneys in the special fund.



1 (b) Moneys in the agricultural conservation easement
2 management special fund shall be used to implement the
3 agricultural conservation easement program established pursuant
4 to section 163D-A, including for the:

5 (1) Purchase of agricultural conservation easements;

6 (2) Monitoring of land purchased through an agricultural
7 conservation easement; and

8 (3) Enforcement of any penalties."

9 SECTION 2. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2026-2027 to be
12 deposited into the agricultural conservation easement management
13 special fund.

14 SECTION 3. There is appropriated out of the agricultural
15 conservation easement management special fund the sum of
16 \$ or so much thereof as may be necessary for fiscal
17 year 2026-2027 for the administration of the agricultural
18 conservation easement program established pursuant to this Act
19 and the purchase of agricultural conservation easements under
20 the program.



S.B. NO. 2335

1 The sum appropriated shall be expended by the agribusiness
2 development corporation for the purposes of this Act.

3 SECTION 4. In codifying the new sections added by section
4 1 of this Act, the revisor of statutes shall substitute
5 appropriate section numbers for the letters used in designating
6 the new sections in this Act.

7 SECTION 5. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 2026.

9
INTRODUCED BY: Mike Gabbert



S.B. NO. 2335

Report Title:

Agribusiness Development Corporation; Agricultural Conservation Easement Program; New Special Fund; Appropriation

Description:

Requires the Agribusiness Development Corporation to establish an Agricultural Conservation Easement Program to purchase from willing private land owners agricultural conservation easements to preserve and protect the land for agricultural use in perpetuity. Establishes the Agricultural Conservation Easement Management Special Fund. Appropriates funds.

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