

JAN 21 2026

A BILL FOR AN ACT

RELATING TO THE NORTH KOHALA KYNNERSLY EAST SITE LAND PARCEL.

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

1 SECTION 1. The legislature finds that a robust
2 agricultural sector is integral to the State's long-term
3 economic stability, food security, and environmental stability.
4 A strong agricultural sector is essential for reducing the
5 State's reliance on imported goods, preserving its cultural
6 heritage, and providing local employment opportunities. The
7 north Kohala district of Hawaii island, with its unique climate,
8 fertile soils, and abundant natural resources presents an
9 invaluable opportunity for strategic investment in the State's
10 agricultural sector. While the agricultural legacy of north
11 Kohala continues to thrive with a greater emphasis on
12 sustainable farming practices, important parcels of land for
13 agricultural production and processing in the region have
14 remained defunct for extended periods as the agricultural sector
15 has contracted due to shifts in markets and key funding
16 mechanisms.



1 The legislature further finds that farmers local to the
2 region and agricultural organizations are committed to
3 preserving north Kohala's unique heritage, while embracing
4 innovative practices to ensure the long-term viability of
5 farming in the area. Efforts to improve water conservation,
6 restore native ecosystems, and protect the region's agricultural
7 land are central to the community's ongoing resilience.

8 Investment in this region can enhance the State's agricultural
9 production capacity; support small, family-run and -owned farms;
10 and contribute to the revitalization of a rural and historically
11 underserved area. Investment in agricultural land in north
12 Kohala offers significant potential for the development of
13 sustainable agricultural practices, creation of job
14 opportunities, and increased food self-sufficiency. Such
15 investments in this region, and regions that are similar in
16 composition and rural location, align with the State's broader
17 goals of promoting environmental stewardship and ensuring the
18 long-term viability of its agricultural sector.

19 The legislature also finds that the agribusiness
20 development corporation is uniquely positioned to oversee the
21 purchase, management, and responsible development of



1 agricultural lands in this region. The agribusiness development
2 corporation's expertise will ensure that these strategic
3 investments are maximized for the benefit of the State's
4 agricultural sector and rural communities, and will foster
5 resilience and sustainability for generations to come.

6 Accordingly, the purpose of this Act is to authorize the
7 issuance of general obligation bonds to the agribusiness
8 development corporation to complete the purchase of the fee
9 simple interest in the north Kohala Kynnersly east site land
10 parcel which comprises the following tax map keys: (3) 5-3-4:19,
11 (3) 5-4-11:18, and (3) 5-4-11:48.

12 SECTION 2. The director of finance is authorized to issue
13 general obligation bonds in the sum of \$2,600,000 or so much
14 thereof as may be necessary and the same sum or so much thereof
15 as may be necessary is appropriated for fiscal year 2026-2027
16 for the purpose of financing the purchase of parcels of land for
17 agricultural development identified as the following tax map
18 keys: (3) 5-3-4:19, (3) 5-4-11:18, and (3) 5-4-11:48.

19 SECTION 3. The sum appropriated in section 2 of this Act
20 shall be expended by the agribusiness development corporation
21 for the purposes of this Act.



1 SECTION 4. The appropriation made for the capital
2 improvement project authorized by this Act shall not lapse at
3 the end of the fiscal biennium for which the appropriation is
4 made; provided that all moneys from the appropriation
5 unencumbered as of June 30, 2028, shall lapse as of that date.

6 SECTION 5. This Act shall take effect on July 1, 2026.

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INTRODUCED BY: Mark W. Rutherford



S.B. NO. 2170

Report Title:

ADC; North Kohala; GO Bonds; Agriculture; Agricultural Development; Appropriation

Description:

Authorizes the issuance of general obligation bonds for the Agribusiness Development Corporation to purchase the North Kohala Kynnersly East Site Land Parcel for agricultural development.

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