

STAND. COM. REP. NO. 2435

Honolulu, Hawaii

FEB 19 2026

RE: S.B. No. 2595
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Economic Development and Tourism and
Agriculture and Environment, to which was referred S.B. No. 2595
entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require payments to the Agribusiness Development Corporation for letting, licensing, or renting of its real property to be at market rates or higher;
- (2) Exempt lessees, licensees, and tenants who grow, raise, and harvest fresh local agricultural products for the Department of Education; and
- (3) Exempt partner members of the Food and Product Innovation Network.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation, Hawai'i Community Development Authority, and one individual.

Your Committees received comments on this measure from the Hawai'i Farmers Union.



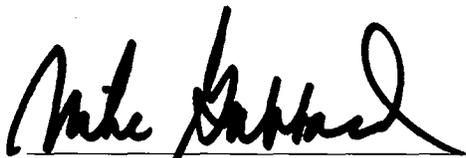
Your Committees find that the core responsibility of the Agribusiness Development Corporation is to steward public agricultural lands in a fiscally responsible manner, while supporting the long-term viability of agriculture in the State. Ensuring that the Corporation receives fair market compensation for the use of its real property protects the State's financial interests and promotes equity among users. Your Committees further find that the targeted exceptions for farmers and food producers advance the State's objectives for school meals, food innovation, and local procurement. This measure balances the Corporation's stewardship of public agricultural lands with support for food security, workforce development, and community health.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development and Tourism and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2595, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2595, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Tourism and
Agriculture and Environment,



MIKE GABBARD, Chair



LYNN DECOITE, Chair



