

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 2973
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Tourism and Water, Land, and Agriculture and Intergovernmental Affairs, to which was referred S.B. No. 2973 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL TOURISM,"

beg leave to report as follows:

The purpose of this measure is to facilitate the use of farm lands for purposes of agricultural tourism.

This measure would:

- (1) Add agricultural tourism conducted on a farming operation as part of an agricultural district and as a permissible use in agricultural districts, for the enjoyment, education, or involvement of visitors if the use is accessory and secondary to the principal agricultural use and does not interfere with farm operations;
- (2) Allow a county to regulate agricultural tourism by ordinance; and
- (3) Exclude agricultural tourism from environment assessment requirements.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; the Department of Agriculture; the Hawaii Tourism



Authority; the Maui Office of Economic Development; the Land Use Research Foundation of Hawaii; the Maui County Farm Bureau; the Hawaii Farm Bureau; the Hawaii Agricultural Research Center; and the Windward Ahupua'a Alliance. Testimony in opposition was received from the Sierra Club Hawaii Chapter and one individual.

Your Committees recognize the importance of agricultural tourism as a means for bona fide farms to supplement their incomes from farm activity. Your Committees are cognizant of testimony from a grass and flower farmer that the small farms would not benefit from this measure, because they do not have the capital to invest in a tourism operation on the farm. Your Committees believe that agricultural tourism may not be suitable for all farmers, but this measure addresses the broader issue for farms in general.

Your Committees find that many agri-tourism operations have emerged that are more tourism than agriculture, due to current land use law that is silent on whether agricultural tourism is a permissible use on agricultural land. Agricultural tourism is a unique product in Hawaii with its diverse agriculture that appeals to many visitors.

This measure is intended to clarify the parameters of agricultural tourism, while leaving the matter of regulation to the counties which are better equipped to specify the regulations by ordinance. Each county may choose its own extent of permissible operations.

Your Committees have amended this measure by:

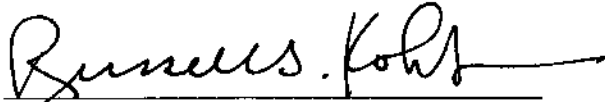
- (1) Requiring a environmental assessment;
- (2) Clarifying that overnight stays are not a permissible use;
- (3) Requiring counties to adopt ordinances to further regulate agricultural tourism operations; and
- (4) Changing the effective date to July 1, 2050.

As affirmed by the records of votes of the members of your Committees on Tourism and Water, Land, and Agriculture and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B.

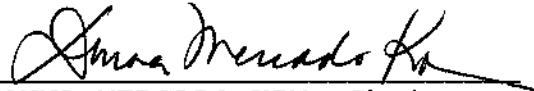


No. 2973, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2973, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committees on Tourism and Water, Land, and Agriculture and Intergovernmental Affairs,



RUSSELL S. KOKUBUN, Chair



DONNA MERCADO KIM, Chair



DAVID Y. IGE, Chair



