

**LINDA LINGLE**  
Governor



**SANDRA LEE KUNIMOTO**  
Chairperson, Board of Agriculture

**DUANE K. OKAMOTO**  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512

**TESTIMONY OF SANDRA LEE KUNIMOTO  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEES ON WATER, LAND, OCEAN RESOURCES AND  
HAWAIIAN AFFAIRS, AND AGRICULTURE  
WEDNESDAY, FEBRUARY 20, 2008  
9:00 a.m.  
Room 312**

**HOUSE BILL 2503  
RELATING TO AGRICULTURAL LANDS**

Chairpersons Ito and Tsuji and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 2503 that proposes to establish "agricultural-energy facilities" operated by "agricultural-energy enterprises" as a permissible use in the Agricultural District with the condition that "...the total acreage devoted to agricultural activity by an agricultural-energy enterprise shall not be less than ninety per cent of the total acreage owned, leased, licensed, or operated by the agricultural-energy enterprise." An agricultural-energy enterprise is defined as a business that "...integrally incorporates an agricultural activity with an agricultural-energy facility." An "agricultural-energy facility" is defined as a facility that generates, stores or distributes renewable energy or fuel derived from products of agricultural activities from agricultural lands located in Hawaii. The "agricultural activity" can be located anywhere in the State and is limited to:

- "(1) Cultivation of crops, including but not limited to crops for bioenergy, flowers, vegetables, foliage, fruits, forage, and timber;
- (2) Game and fish propagation;
- (3) Raising of livestock, including but not limited to poultry, bees, fish, or other animal or aquatic life that are propagated for economic or personal use;"

The Department of Agriculture supports the intent of efforts to increase the development and use of agriculture-based renewable energy resources in as broad a manner as possible. The bill to its credit causes agricultural production to be the primary use of qualified agricultural land. However, as noted in the Energy and Environmental Protection committee report, because the bill requires a tight organizational linkage between the facility, the operator of the facility, and the minimum area to be put into feedstock production, this may have the effect of inadvertently excluding similar but not the same agriculture-based renewable energy concepts from consideration as permissible uses. We believe this bill should cast a wider net to encompass these similar uses in order to allow and encourage more agriculture-based renewable energy alternatives. Furthermore, this bill and other similar vehicles must recognize and establish a balance between the desire to increase Hawaii's agriculture-based renewable energy resources and other agricultural production needs such as food production.



## **Maui County Farm Bureau**

*An Affiliate of the American Farm Bureau Federation and Hawaii Farm Bureau Federation  
Serving Maui's Farmers and Ranchers*

### **TESTIMONY**

#### **HB 2503**

#### **RELATING TO AGRICULTURAL LANDS**

#### **HEARING BEFORE THE COMMITTEE ON WATER, LAND, OCEAN RESOURCES AND HAWAIIAN AFFAIRS AND COMMITTEE ON AGRICULTURE**

Chair Ito, Tsuji and Committee Members:

My name is Warren Watanabe, Executive Director of the Maui County Farm Bureau, a non-profit general agriculture organization and an affiliate of the Hawaii Farm Bureau Federation.

Maui County Farm Bureau, on behalf of its member farmers, ranchers and agricultural organizations **strongly supports HB 2503** defining permissible uses of agricultural energy on agricultural lands.

The introduction of this Bill is timely, with the increase interest in installation of renewable energy facilities on agricultural lands. While small infrastructures associated with individual farms will positively impact agriculture, location of large renewable energy facilities, with no association to agriculture can have a negative impact on our operations.

Solar facilities located to active farms may find dust from the farms a nuisance, resulting in reduced energy production. Who will be asked to change their practice? Will the solar energy producer be willing to have a lower level of production or will the agricultural producer be asked to change his practices to eliminate the dust?

There have been many studies that indicate that as society's affluence increases, they tend to take food for granted. Expansion of local food production must not be lost in our quest to increase renewable energy production.

We respectfully request your support of this Bill to clarify use of agricultural lands. At the same time, we request your opposition of Bills that recognize non-ag renewable energy facilities on agricultural lands without regard to adjacent agricultural operations or agricultural operations that may occur in the future.

Thank you.

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## Hawaii Agriculture Research Center

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**TESTIMONY BEFORE THE HOUSE COMMITTEE  
ON WATER, LAND, OCEAN RESOURCES &  
HAWAIIAN AFFAIRS  
and  
AGRICULTURE**

**HOUSE BILL 2503**

**RELATING TO AGRICULTURAL LANDS**

**February 20, 2008**

Chairs Ito and Tsuji and Members of your Committees:

My name is Stephanie Whalen. I am President and Research Director of the Hawaii Agriculture Research Center (HARC). I am testifying today on behalf of the center, our research and support staff, and our members and clients.

**HARC is suggesting an amendment to HB 2503 if the committee decides to approve this proposal.**

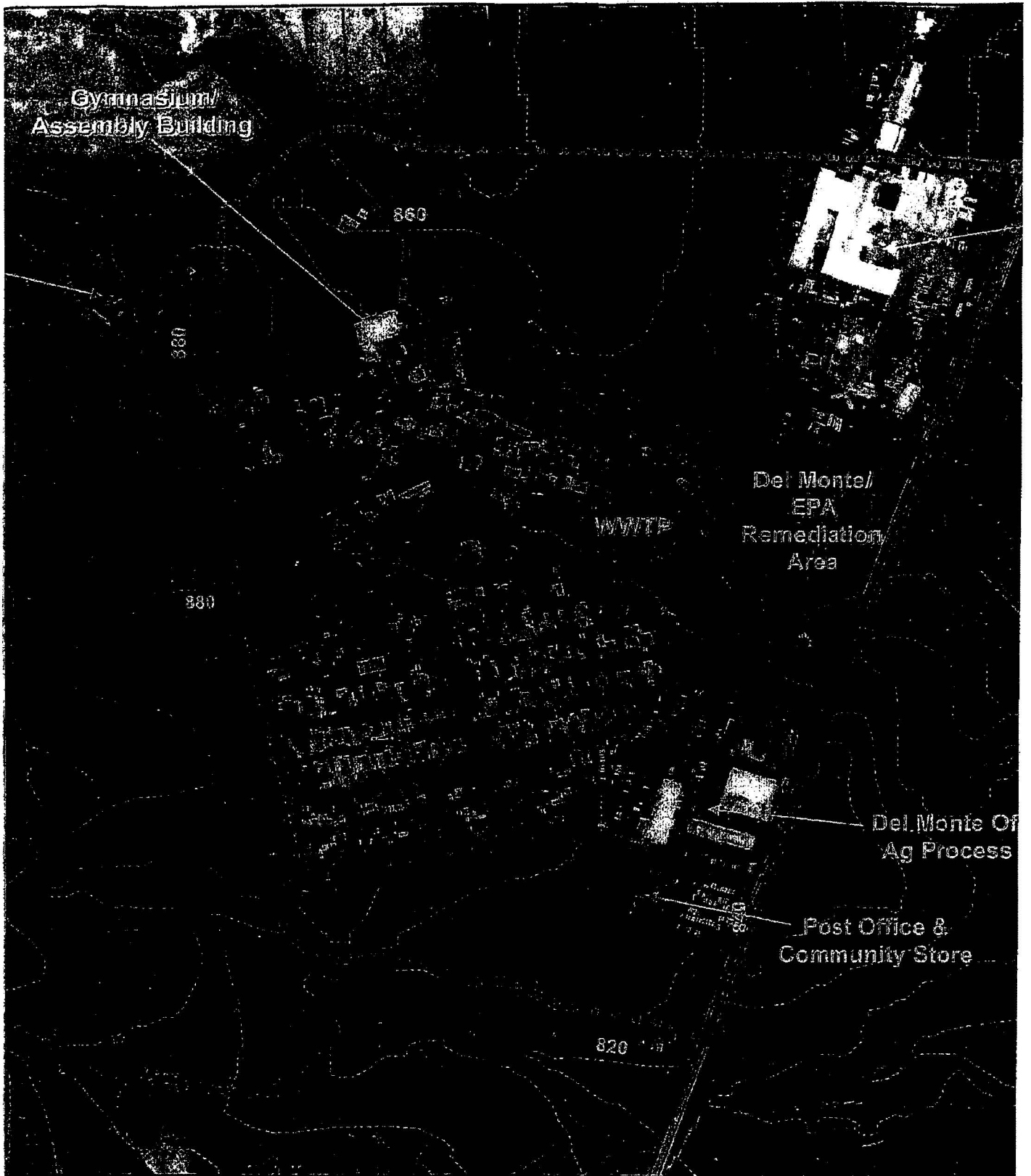
A significant opportunity has been provided to HARC regarding the Del Monte village which includes *agricultural worker rental housing* and industrial facilities (see attached map) on over 100 acres of land. However, it appears that the existing permissible uses in the state's agricultural district regarding plantation subdivisions is **limited to employees or former employees with a property interest in the land.**

HARC would like you to consider an amendment on page 7 line 8 through 16:

“Plantation community subdivisions, which as used in this ~~paragraph~~ chapter means [a] an established subdivision or cluster of employee housing, community buildings, and [acreage] agricultural support buildings [established] on land currently or formerly owned, leased, or operated by a sugar or pineapple plantation[; and in residential use] where the existing structures are used or rehabilitated for use as provided herein:

- (A) The employee housing is occupied by employees or former employees of the plantation[; provided that] and the employees or former employees shall have a property interest in the land;
- (B) The employee housing units shall be rented or leased at affordable rates for agricultural workers; or
- (C) The agricultural support buildings shall be rented or leased to agricultural operators or agricultural support services.”

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



# LIFE OF THE LAND

*Ua Mau Ke Ea O Ka 'Aina I Ka Pono*

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## COMMITTEE ON WATER, LAND, OCEAN RESOURCES & HAWAIIAN AFFAIRS

Rep. Ken Ito  
Rep. Jon Riki Karamatsu

## COMMITTEE ON AGRICULTURE

Rep. Clift Tsuji  
Rep. Tom Brower

Wednesday, February 20, 2008  
9:00 a.m.  
Conference Room 325

HB 2503 RELATING TO AGRICULTURAL LANDS  
[WlHtestimony@Capitol.hawaii.gov](mailto:WlHtestimony@Capitol.hawaii.gov)

Aloha Chairs Ito, Tsuji, Vice Chairs Karamatsu, Brower and Members of the Committees,

Life of the Land is Hawai'i's own environmental and community action group advocating for the people and the 'aina since 1970. Our mission is to preserve and protect the life of the land through sustainable land use and energy policies and by promoting open government through research, education, advocacy, and litigation.

Last year this Legislature passed **Act 234 (Green House Task Force)**. This year there are several bills which automatically, and without any analysis, assume incorrectly that "renewable energy" means "climate friendly" Some are, like using waste oil to make biodiesel. Many are not. Agrofuels are not at all climate friendly.

### **Wall Street Journal Editorial (February 13, 2008)**

"The ink is still moist on Capitol Hill's latest energy bill and, as if on cue, a scientific avalanche is demolishing its assumptions. To wit, trendy climate-change policies like ethanol and other biofuels are actually *worse* for the environment than fossil fuels. ...

The studies are even more damning because they examine the issue with the theories of the global warmists and conclude that biofuels actually exacerbate the problem they're supposed to solve. On top of that, they're creating new environmental troubles like deforestation and a reduction in biodiversity that may be worse over time than whatever the importance of observed climate change. In either case, or both, they're damaging the planet more than they're helping it."

### **Newsweek Web Exclusive (February 11, 2008) By Karen Pinchin**

"**Doing It Wrong:** A new study finds that the biofuels craze may be adding to our climate woes. Even the best of green intentions can sometimes go awry."

Mahalo,

Henry Curtis  
Executive Director

# **Testimony before the House Committees on**

## **Water, Land, Ocean & Hawaiian Affairs and Agriculture**

### **H.B. 2503 – Relating to Agricultural Lands**

**Wednesday, February 20, 2008  
9:00 am, Conference Room 325**

**By Arthur Seki  
Director of Technology  
Hawaiian Electric Company, Inc.**

Chairs Ito and Tsuji, Vice Chairs Karamatsu and Brower, and Members of the Committees:

My name is Arthur Seki – I am the Director of Technology in the Energy Solutions & Technology Department at Hawaiian Electric Company. I am testifying on behalf of Hawaiian Electric Company (HECO) and its subsidiary utilities, Maui Electric Company (MECO) and Hawaii Electric Light Company (HELCO), hereby referred to collectively as the HECO Utilities.

We support H.B. 2503 that permits the use of lands in agricultural land use districts to be used for agricultural-energy facilities.

As you may know, HECO Utilities are committed to exploring and using biofuels in its existing and planned generating units. The use of biofuels can reduce the State's dependence on imported oil and increase the amount of renewable energy from sustainable resources. This commitment by the HECO Utilities is demonstrated by the following initiatives:

- HECO's next power plant (100 MW) on Oahu (located at Campbell Industrial Park) will be 100% biofueled;

- MECO tested biodiesel in its diesel engines and combustion turbine at Maalaea power plant and will conduct further tests;
- HECO and MECO are partnering with BlueEarth Biofuels to build a 40 million gallon per year biodiesel production plant on Maui;
- HECO is developing test plans for a biofuel blend demonstration in a steam boiler generating unit on Oahu;
- HELCO will be testing biodiesel blends in a diesel engine on the Big Island;
- MECO will be testing glycerin (biodiesel by-product) in a Kahului steam boiler on Maui; and
- HECO is providing seed funding to the Hawaii Agriculture Research Center (HARC) and the agriculture departments at the University of Hawaii's Manoa and Hilo campuses to conduct biofuel crop research.

In conclusion, HECO Utilities support H.B. 2503 as a way to stimulate the development of locally produced biofuels.

Thank you for the opportunity to present this testimony.



-----Original Message-----

From: Peter Rappa [mailto:rappa@hawaii.edu]  
Sent: Tuesday, February 19, 2008 4:46 PM  
To: WLHtestimony  
Cc: Klouldil Hubbard  
Subject: HB 2503

The UH Environmental Center would like to submit the attached testimony on:

HB 2503  
Relating to Agricultural Lands

TO:  
House Committee on Water, Land, Ocean Resources and Hawaiian Affairs  
House Committee on Agriculture

JOINT PUBLIC HEARING SCHEDULED FOR:

Date: February 19, 2008  
Time: 9:00 am  
Place: Conference Room 325

RL:2167

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