

TESTIMONY

SB 2781

LATE

LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

LATE TESTIMONY

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 SENATE COMMITTEE ON
WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS
FRIDAY, FEBRUARY 5, 2010
2:45 p.m.
Room 229

SENATE BILL NO. 2781 RELATING TO AGRICULTURAL LANDS

Chair Hee, Vice Chair Tokuda, and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2781. The purpose of this bill is to carry out Article XI, Section 3 of the Hawaii Constitution by authorizing the Legislature, by concurrent resolution, to designate lands on Oahu as Important Agricultural Lands (IAL) if they possess "A" and "B" ratings and are irrigated, or have sufficient irrigation water to produce high crop yields. The Legislature may also designate lands to protect agricultural lands and diversified agriculture, and to control future growth, development, and land use. The lands to be designated are required to have tax map key numbers and meet the IAL identification criteria described in Section 205-44.

The Department of Agriculture has concerns and offers comments.

In the past year, nearly 31,000 acres of highly productive agricultural land on the islands of Kauai and Maui have been voluntarily identified by a private landowner and designated by the Land Use Commission (LUC) as IAL. This represents 31 percent of the approximately 100 thousand acres of agricultural land in active crop production in Hawaii (excluding cattle ranching). Farmers who lease their crop production land may also seek IAL designation, with the consent of the landowner. We are hopeful that other landowners and farmers will follow suit.

The Legislature has already established the mechanism to carry out the constitutional mandate to protect important agricultural land and promote their use by passing Act 183, SLH 2005, the Important Agricultural Lands (IAL) Act, and Act 233, SLH 2008, the Important Agricultural Lands Incentives Act. The process established in these two laws are the culmination of a collaborative effort by many individuals and organizations in the public and private sectors to establish the means to carry out the constitutional mandate ratified in 1978.

Involvement by the Legislature in designating IAL may bring confusion to the existing process where the farmer/landowner and counties are allowed to identify potential IAL for designation by the Land Use Commission (LUC). As proposed, the Legislature also may designate IAL to control the magnitude and direction of urbanization which is a function of the LUC. To avoid conflicts with Chapter 205, this Committee may wish to consider limiting the involvement of the Legislature to that of a party authorized to identify potential IAL when to-be specified circumstances merit legislative action. This would retain the LUC's sole jurisdiction to designate IAL and determine appropriateness of urban development. We also suggest that if this role for the Legislature is adopted, that the authority be expanded statewide rather than limited to Oahu.



ALEXANDER & BALDWIN, INC.

LATE TESTIMONY

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SB 2781 RELATING TO AGRICULTURAL LANDS

PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.

FEBRUARY 5, 2010

Chair Hee and Members of the Senate Committee on Water, Land, Agriculture & Hawaiian Affairs:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) and its agricultural companies Hawaiian Commercial & Sugar Company and Kauai Coffee Company, Inc. on SB 2781, "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS." We respectfully oppose this bill.

After over twenty five years of debate, negotiation, and compromise, the IAL Law was finally implemented in July 2008. After years of pursuing a land-use approach to this constitutional mandate, the IAL law that was successfully passed was one premised on the principle that the best way to preserve agricultural lands is to preserve agricultural businesses and agricultural viability. As such, the IAL Law not only provides the standards, criteria, and processes to identify and designate important agricultural lands (IAL) to fulfill the intent and purpose of Article XI, Section 3 of the Hawaii State Constitution, it also provides for a package of incentives designated to support and encourage sustained, viable agricultural activity on IAL. With the enactment of this comprehensive package of IAL incentives, the long awaited IAL identification and designation process was finally started in July 2008.

The present IAL Law authorizes the identification and designation of IAL in one of two ways --- by voluntary petition by the farmer/landowner to the State Land Use Commission (LUC); or subsequently by the Counties filing a petition to designate lands as IAL pursuant to a County identification and mapping process—and provides incentives to the landowner and/or farmer to conduct agricultural activities on IAL lands. In either case, the LUC must find that the lands qualify for IAL designation pursuant to the standards, criteria, objectives, and policies set forth in the IAL Law prior to designation. To date, the present IAL Law has resulted in the designation by the LUC of over 30,000 acres of agricultural lands as IAL from voluntary petitions for Alexander & Baldwin owned lands on Maui and Kauai and we believe significantly more acreage will be designated IAL over the next few years through the voluntary landowner and County petition process.

This bill proposes to modify the IAL identification and designation process, which requires thorough evaluation and review of the specific lands to ensure they meet the standards, objectives and policies of the IAL Law, by adding a legislative process to designate IAL by the passage of a concurrent resolution. The present IAL Law, as implemented by the LUC, has required significant fact-finding, evaluation and review prior to the LUC designating lands as IAL. We believe that the process for the identification and designation of IAL contained in the present IAL Law should be kept in tact, and that any additional means of IAL designation should not be incorporated into the present IAL Law.

One of the compelling factors that resulted in the passage of the IAL Law after many, many years of debate, was a collaborative effort put forth by various entities and

individuals to find common ground on this important issue. This bill will alter the IAL identification and designation process, which represented one of the critical consensus building agreements that were instrumental in the passage and enactment of the present IAL Law, and change that delicate balance. We ask that the present process to identify and designate IAL, which evolved from good faith efforts of many interests, be allowed to proceed as set forth in the present IAL Law. In short, please give the present IAL Law a chance to work.

Based on the aforementioned, we respectfully request that this bill be held in Committee.

Thank you for the opportunity to testify.

From: Ann Freed [annfreed@hotmail.com]
Sent: Thursday, February 04, 2010 11:14 PM
To: WTLTestimony
Subject: SB2781 testimony

LATE TESTIMONY

COMMITTEE ON WATER, LAND, AGRICULTURE, AND HAWAIIAN AFFAIRS

- >
- > Senator Clayton Hee, Chair
- > Senator Jill N. Tokuda, Vice Chair
- >
- > Aloha kakou Senators Hee and Tokuda,
- >
- > I am offering testimony in SUPPORT of SB2781. This important bill aimed aligning land use policies with the intent of our constitution by mandating the preservation of the few agricultural lands we have left on Oahu and the neighbor islands must be enacted and quickly before our precious aina is gone forever.
- >
- > Consider the facts. We are the most isolated population on the planet yet we grow only 15% of our food and are totally dependent on imported oil for our energy requirements.
- >
- > With the scandals over tainted pet foods from China, recent salmonella and other imported food contamination coupled with the threat of natural disasters that has been increasing in recent years, we need food security that can only be achieved by growing more of our own.
- >
- > In addition Hawaii is unique among the fifty states in that more than 90 percent of its energy comes from oil. Because we are isolated geographically, Hawaii cannot draw power from neighboring states and also must import every barrel of oil and ton of coal it uses. This lack fuel independence makes the preservation of AG lands for biomass fuels as well as food all the more urgent.
- >
- > Global warming is not going away and neither is it's effects on weather conditions, making the threat of extreme weather of all kinds more likely. We as a State are not prepared for a major disaster. Like Haiti we are an island State. Unlike Haiti we are even more remote from help.
- >
- > We have already paved much of paradise and put up many parking lots. The developers and real estate moguls have argued that residential development in Central Oahu, the Leeward Coast and the North Shore will create jobs, provide affordable homes for future generations and be "green."
- >
- > These arguments are a sleight of hand designed to direct your/our attention away from the dire consequences of continuing down the beaten path. First, the jobs that would be created will dry up when residential project development is over, which must happen at some point as land here is a very finite resource. Secondly, try and get the developers to give you a price for an "affordable" three bedroom home. They will hedge and try to avoid the question. By my calculations these so-called affordable homes will range from \$400,000 to \$600,000. So I ask for whom are these homes affordable? Certainly not those most in need of housing. Third - green communities - really? Not when the mere existence of these communities takes away agricultural land forever.
- >
- > I believe we must stop urban sprawl on this island. The plan should be to build up in the already urbanized areas, not out into what is left of our open spaces and agricultural lands. It is said that when tribal native American elders met to consider matters of importance they

weighed the results of their decisions out to the seventh generation. We must do likewise and consider the future of our fragile and beautiful islands.

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> with aloha,

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> Ann S. Freed

> 95-227 Waikalani Dr. A403

> Mililani, HI 96789

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From: Pearl Johnson [pearlj@hawaii.rr.com]
Sent: Friday, February 05, 2010 8:27 AM
To: WTLTestimony
Subject: SB 2781

LATE TESTIMONY

The League of Women Voters of Hawaii supports SB 2781. We must protect the remaining agricultural land. Hawaii needs to grow more of its own food and not rely on imports for 80 to 90 % of its food.

Pearl Johnson, President
League of Women Voters of Hawaii
2404 Kanealii Ave.
Honolulu, HI 96813
537-5471

LATE TESTIMONY

Support SB 2781

February 5, 2010

TO: Senate Water, Land Agriculture and Hawaiian Affairs Committee

Dear Senators:

The State Constitution's mandate to preserve important ag land is not being met and thousands of acres of prime agricultural real estate have been lost forever. I use the term "real estate" because prime ag land is valuable in its current use, not as something that can be "improved" by another use.

The need to preserve high quality agriculture lands is beyond dispute. Voluntary designation of IAL has not worked, nor should we expect it to miraculously start working in the future. Efforts by the Counties and the State have not worked.

The state has thousands of acres of non-arable land that might warrant development or some better use, but the loss of our best lands must be stemmed! These two bills to preserve the best quality lands, A and B, should become law.

Thank you for supporting preservation of important agricultural lands and for passing _____ and SB 2781.

Gil Riviere
65-137 Hukilau Loop
Waialua, HI 96791

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TESTIMONY
SB 2781
LATE
(END)