

LATE

SB 996

Testimony

NEIL ABERCROMBIE
Governor



RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

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TESTIMONY OF RUSSELL KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE, AND WATER AND LAND
Thursday, January 31, 2012
Room 229
2:45 p.m.

SENATE BILL NO. 996
RELATING TO IMPORTANT AGRICULTURAL LANDS

Chairpersons Nishihara and Solomon and Members of the Committees:

Thank you for the opportunity to provide testimony on Senate Bill No. 996 which is an Administration measure. The Department of Agriculture strongly supports this bill that identifies permissible and accessory uses and activities on designated Important Agricultural Lands (IAL). We also have two amendments that are necessary to capture all of the proposed principal permissible uses on IAL to which there may be accessory uses.

To date, the Land Use Commission has designated 89,859 acres of agricultural lands as IAL. The IAL Incentives Act (Act 233, Session Laws of Hawaii 2008) provides seven incentives that represent a significant public investment in support of agricultural production on IAL.

The very definition of IAL as spelled out by Sections 205-42 and 205-43 specify that IAL is for production of agricultural commodities and expansion of agricultural activities, and in line with the definitions laid out within those statutes, The Department of Agriculture has identified existing permissible uses that we believe to be not aligned with IAL objectives and policies and should not be permitted on designated IAL.



LATE

To ensure designated IAL fully complies with the purpose, intent, objectives, and policies of the IAL Law, Senate Bill 996 identifies the primary permissible uses and activities on designated IAL as the cultivation of crops, aquaculture, and raising of livestock. Uses that are directly accessory to these uses include farm dwellings that are used in connection with a farming operation, farm laborers and employees housing; agricultural-energy facilities that is secondary to an agricultural activity; agricultural education programs, and wind energy facilities that are compatible with agricultural uses. All of which are in consonance with section 205-43, Hawaii Revised Statutes, that requires state and county agricultural policies, tax policies, land use plans, ordinances, and rules to promote the long-term viability of agriculture on important agricultural lands.

Finally, we request approval of the following two amendments clarifying that accessory uses and activities are permissible on designated IAL if directly accessory to primary agricultural production activities.

Page 3, lines 17 to 22 (amending text is bold and double underscored)

(6) Buildings and uses, including mills, storage, and processing facilities, maintenance facilities, vehicle and equipment storage areas, irrigation water storage tanks and dams, and appurtenant small buildings such as booster pumping stations that are directly accessory to the uses in paragraphs (1), (2), and (3);

Page 4, lines 8 to 22 (amending text is bold and double underscored)

(9) Agricultural-energy facilities, including appurtenances necessary for an agricultural-energy enterprise; provided that the primary activity of the agricultural-energy enterprise is agricultural activity. To be considered the primary activity of an

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agricultural-energy enterprise, the total acreage devoted to agricultural activity shall be not less than ninety per cent of the total acreage of the agricultural-energy enterprise. The agricultural-energy facility shall be limited to lands owned, leased, licensed, or operated by the entity conducting the agricultural activity.

As used in this paragraph:

"Agricultural activity" means any activity described in paragraphs (1), (2), and (3).

We thank you for this opportunity to present our testimony on this important measure.



Hawaii Farm Bureau
F E D E R A T I O N

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January 31, 2013

HEARING BEFORE THE
SENATE COMMITTEE ON AGRICULTURE
SENATE COMMITTEE ON WATER AND LAND

TESTIMONY ON SB 996
RELATING TO IMPORTANT AGRICULTURAL LANDS

Room 229
2:45 PM

Chair Nishihara, Chair Soloman, Vice Chair Kouchi, Vice Chair Shimabukuro, and Members of the Committees:

I am Dean Okimoto, President of the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is comprised of 1,950 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community

Hawaii Farm Bureau Federation **strongly opposes SB 996** for the following reasons:

1. Creating further land use restrictions on IAL will serve as a deterrent, rather than an incentive for landowners to dedicate lands to IAL. This is counter to the original intent of the IAL dedication program.
2. Changing the permitted uses on IAL land that has already been dedicated creates a breach of trust on the part of the State and, we believe, creates uncertainty for both current and future dedicating individuals and entities. Furthermore, we would rather see legislation that clarifies that land uses that are permitted at the time of dedication will remain in perpetuity.

We respectfully ask you to oppose this measure, lest the incentives for IAL dedication will be eroded or removed altogether.

Thank you for the opportunity to offer testimony on this measure.

From: mailinglist@capitol.hawaii.gov
To: [AGL Testimony](#)
Cc: slwsurfing@yahoo.com
Subject: Submitted testimony for SB996 on Jan 31, 2013 14:45PM
Date: Thursday, January 31, 2013 11:09:59 AM

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SB996

Submitted on: 1/31/2013

Testimony for AGL/WTL on Jan 31, 2013 14:45PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
sharon willeford	Individual	Oppose	No

Comments: NO Biofuel! Grow food! Set up advisory committee of FAIR and Honest citizens for DLNR and all projects.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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**SB 996
RELATING TO IMPORTANT AGRICULTURAL LANDS**

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

JANUARY 31, 2013

Chair Nishihara, Chair Solomon, and Members of the Senate Committees on
Agriculture and Water & Land:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) and its
agricultural company Hawaiian Commercial & Sugar Company (a division of A&B) on
SB 996, "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS."
We respectfully oppose this bill.

After over twenty five years of debate, negotiation, and compromise, the IAL Law
and process was finally enacted in July 2008. After years of pursuing a land-use
approach to this constitutional mandate, the IAL law that was successfully passed (Act
183 (2005) and Act 233 (2008)) was 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 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.

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The IAL Law authorizes the identification and designation of IAL in one of two ways --- by voluntary petition to the State Land Use Commission by the landowner or farmer; or subsequently by the Counties filing a petition to designate lands as IAL pursuant to a County identification and mapping process. The IAL Law further provides incentives to the landowner and/or farmer to conduct agricultural activities on IAL lands. In either case, the LUC determines whether the petitioned lands qualify for IAL designation pursuant to the standards, criteria, objectives, and policies set forth in the IAL Law. To date, the IAL Law has resulted in the designation by the LUC of over 89,000 acres of agricultural lands as IAL from voluntary petitions by Alexander & Baldwin, Parker Ranch, Castle & Cooke, and Mahaulepu (Grove) Farm. We believe that additional acres will be designated through the voluntary landowner and County petition process in the years to come.

As cited above, the IAL Law is premised on the principle that the best way to preserve agricultural lands is to preserve agricultural businesses and agricultural viability. We believe it to be essential that the range of allowable uses for IAL compliment and fully support the need to sustain viable agricultural operations on these lands.

Agriculture is a very difficult business, with profit margins that are often marginal. It is not uncommon for an agricultural operation to have other business endeavors on their agricultural land to supplement and support their agricultural income, which may be prone to fluctuation due to changing market prices, weather conditions, and the availability of water. Permissible uses for agricultural lands, especially lands designated

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as IAL, must be broad enough to include the various types of supplemental uses that may be pursued by farmers to sustain their agricultural operations.

In addition to ensuring that customary agricultural and other support uses are allowed on agricultural lands, we believe that additional flexibility is needed to accommodate new agricultural concepts and operations that may be developed in the future. The agricultural industry is constantly evolving, with new agricultural technologies, crops, and applications being developed and implemented. We believe that a process that is able to accommodate, on a timely basis, new agricultural endeavors and operations on agricultural lands is essential to assist present and future farmers and agricultural operations.

Shortly after the enactment of the IAL Law in 2005, the Department of Agriculture coordinated a group of agricultural stakeholders to actively participate in numerous meetings and discussions to develop financial, operational, and other incentives for IAL. These discussions were well attended by a wide range of interested individuals and businesses in the agricultural industry, and provided a valuable forum for dialogue and discussion which ultimately led to the enactment of a comprehensive set of IAL incentives in 2008 and triggered the start of the long awaited IAL identification and designation process.

We respectfully request that in lieu of passing this bill to establish permissible uses for IAL this Session, that a similar agricultural stakeholder working group be formed to meet and thoroughly discuss this matter during the 2013 Legislative Interim. We believe that this agricultural stakeholder group will provide an ideal forum through which the Department of Agriculture can reach out to agricultural stakeholders and

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collaboratively work together to ensure the sustainability of agricultural operations on IAL.

Based on the aforementioned, we respectfully request that this bill be held in Committee. Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: [AGL Testimony](#)
Cc: darakawa@lurf.org
Subject: Submitted testimony for SB996 on Jan 31, 2013 14:45PM
Date: Thursday, January 31, 2013 1:51:32 PM

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SB996

Submitted on: 1/31/2013

Testimony for AGL/WTL on Jan 31, 2013 14:45PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
David Arakawa	Land Use Research Foundation of Hawaii	Oppose	Yes

Comments: LURF Opposition to SB 996: -SB 966 reflects unilateral State action - Non-Collaborative Process violates spirit and intent of IAL Law: Department of Agriculture (DOA) did not consult with the Farm Bureau, large agricultural land owners, Cattlemen's Association, or other Agricultural stakeholders prior to submitting SB 996 -Where's the Beef? There is nothing wrong with IAL right now – "If it Ain't broke, don't try to fix it." IAL is working; landowners are continuing to dedicate IAL; Counties are in the process of identifying proposed IAL. There is no actual problem that SB 996 is trying to address. Legislature should not alter the law at this time. Give it time to work – the time to review the law could be after the counties have designated IAL. Now is not the time to impose restrictions on IAL. -Purposes of IAL include incentives for Ag viability; diverse ag and flexibility; and the dedication of IAL – NOT MORE RESTRICTIONS! To achieve viable Ag, Farmers/ag operators/ranchers/landowners (stakeholders) need more Ag flexibility, not more restrictions. IAL objectives include promoting the expansion of ag activities and income for the future; and the IAL incentives are also meant to assure agricultural diversification, etc. – not restrictions! -Retroactive application of restricted uses is unfair and violates the law. Landowners who dedicated IAL did so in reliance on the IAL law, which does not include any restriction on Ag uses; It would be unfair and perhaps a constitutional violation to retroactively impose restrictions after the landowners dedicated their lands to IAL? -There are already adequate protections in the IAL approval process. The IAL law requires that the Land Use Commission weigh specific standards and criteria to approve IAL; and review and comment by interested parties, including the DOA.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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