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TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING

> FEBRUARY 4, 2014, 2:45 P.M. **ROOM 229**

SENATE BILL NO. 2296 RELATING TO THE DISPOSITION OF LANDS MANAGED BY THE STATE DEPARTMENT OF AGRICULTURE

Chairs Nishihara and Dela Cruz and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2296. The purpose of this bill is to allow the Hawaii Department of Agriculture (HDOA) to select qualified applicants as backup lessees with whom the HDOA may negotiate upon the failure by the highest offering bidder. The HDOA supports the intent of this bill, but respectfully requests the following change.

Please delete the proposed changes to Section 166E-8 and replace it with changes to Section 166E-11 (please see attached). This provides positive benefits to the State in many ways, including economic development and achieving greater food self-sufficiency.

Thank you for the opportunity to testify on this measure.



The purpose of this act is to allow the department of agriculture the ability to create an alternative list of qualified applicants to lease agricultural lands in the event an awardee fails to complete the lease process.

SECTION X. Chapter 166E-11, Hawaii Revised Statutes, is amended by adding a new subsection (d) to read as follows:

"(d) After the lot or lots are awarded, valid proposals may be selected as alternatives from the qualified applicants with the next highest proposals. In the event awards are rescinded for failure to satisfy conditions of award or other reason, the lot or lots made available shall be offered for award to the alternates in the order of the highest bid."

SECTION X. Section 166-11, Hawaii Revised Statutes, is amended to read as follows:

"[166-11] Lease negotiation. (a) The department of Agriculture may negotiate and enter into leases with any person who:

- (1) [As of July 1, 1996, h] Holds a revocable permit for agricultural purposes; or
- (2) Has formerly held an agricultural lease or holdover lease of public land that which expired within the last ten years [preceding July 1, 1996,] and has continued to occupy the state land; [and] or
- (3) Is determined by the department to have a beneficial impact on agriculture.
- (b) The land eligible for lease negotiations under this section are limited to those lands:

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"[Within six months from July 1, 1996, t] The department shall notify in writing [the permittees of lands] those eligible for lease negotiations under this section and shall inform the [permittees] applicant of the terms, conditions, and restrictions provided by this section. Any [permittee] eligible person may apply for a lease; provided that the application shall be submitted to the department in writing within thirty days from the date of receipt of notification; provided further that the department may require documentary proof from any applicant to determine that the applicant meets eligibility and qualification requirements for a lease as specified by this section."

SECTION X. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

Section X. This Act shall take effect on July 1, 2014.

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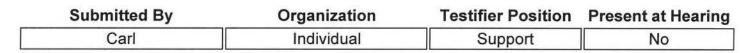
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SB2296

Submitted on: 2/4/2014

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Comments:

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