SB2394 Testimony

Requires that lands managed by the department of agriculture and the agribusiness development corporation are disposed of in a variety of sizes and to diversified tenants to support a diversified agricultural economy. Requires the department of agriculture and the agribusiness development corporation to: (1) consider the diversity of their leased or transferred lands when approving leases or transfers; and (2) submit annual reports regarding land dispositions to the legislature and to post a copy of the reports on the Internet.



State of Hawaii DEPARTMENT OF AGRICULTURE

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND WATER AND LAND

FEBRUARY 11, 2014, 3:00 P.M. ROOM 229

SENATE BILL NO. 2394
RELATING TO AGRICULTURAL LANDS MANAGED BY THE DEPARTMENT OF
AGRICULTURE AND THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairpersons Nishihara and Solomon and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2394. The purpose of this bill is to require the Hawaii Department of Agriculture (HDOA) and Agribusiness Development Corporation (ADC) to submit to the Legislature and post on its respective website, a variety of detailed information regarding its land inventories, lease dispositions made and sales or transfers of leased lands. This measure also requires HDOA and ADC to dispose of lands in specific size ranges and adopt land-use protocols and conditions to support specialty farm products in specified locations. The HDOA believes that the bill may not be necessary.

Much of the requested information in section 2 is currently available in the Department's annual report, which is also available on the Department's website. Regarding the proposed section 2(4)(A), the Department does not maintain these details as the farmer is free to grow whatever they deem appropriate. Additionally, the HDOA is not authorized to sell or transfer State lands. This authority is granted to the Department of Land and Natural Resources Land Division.



The Agricultural Parks program is intended to be an "incubator" program for new farming ventures and Ag Parks are typically about 150 acres in total area. The leased parcels are smaller (5-10 acres) and in a contiguous agricultural subdivision that has most of the infrastructure necessary to accomplish diversified agriculture and to allow for the lessees to assist each other during the development period – this is intentional. Forcing the size distribution will negate the entire intent of the Agricultural Parks program. After an initial lease term of 25 to 35 years, it is the experience of the Department that the lessee has established his agricultural enterprise and is often interested in moving to the Non-Agricultural Park Lands program with long-term tenure which may be extended for up to 65-years and provides larger land opportunities.

The Non-Agricultural Park Lands program is different from the Agricultural Parks program in that it offers expansion opportunities for established agricultural operations or agribusinesses to relocate to available lands to improve location, expand and access additional markets, etc., as lot sizes are generally larger, up to 2,000 acres for a ranch, and unlike the Agricultural Parks program, the Non-Agricultural Park Lands program allows the lessee to conduct on-site commercial sales of products grown and processed on the leased parcel. This bill will require the Department to subdivide some parcels and consolidate others leading to significantly increased costs and length of time the land sits vacant. It also curbs our ability to meet market demands.

Examples of how the land programs complement each other can be seen in the success of lessees such as Kahuku Farmers Association, Hawaiian Sunshine Nursery, Green Point Nursery and Green Thumb Nursery.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII AGRIBUSINESS DEVELOPMENT CORPORATION 235 S. Beretania Street, Room 205 Honolulu, HI 96813 Phone: (808) 586-0186 Fax: (808) 586-189

TESTIMONY OF JAMES J. NAKATANI EXECUTIVE DIRECTOR AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND, WATER & LAND

Tuesday, February 11, 2014 3:00 p.m. Conference Room 229

SENATE BILL NO. 2394
RELATING TO AGRICULTURAL LANDS MANAGED BY THE DEPARTMENT OF AGRICULTURE AND THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairpersons Nishihara, Solomon and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2394. The purpose of this bill is to require the Hawaii Department of Agriculture (HDOA) and Agribusiness Development Corporation (ADC) to submit to the Legislature and post on its respective website, a variety of detailed information regarding its land inventories, lease dispositions made and sales or transfers of leased lands. This measure also requires HDOA and ADC to dispose of lands in specific size ranges and adopt land-use protocols and conditions to support specialty farm products in specified locations. ADC concurs with the HDOA and believes that this bill may not be necessary.

The ADC was established pursuant to Act 264, SLH 1994 to coordinate the development of Hawaii's agricultural industry and to facilitate its transition from a dual-crop (sugar and pineapple) industry to a diversified, multi-crop and animal industry. More specifically, ADC is responsible for devising means by which arable sugar and pineapple lands and their production infrastructure can be used again by a diversified agricultural industry and for providing marketing assistance that can lead to the development of local, national, and international markets for Hawaii-grown products.

ADC's mission is to acquire, and manage in partnership with farmers, ranchers, and aquaculture groups, selected high-value lands, water systems, and infrastructure for commercial agricultural use and to direct research into areas that will lead to the development of new crops, markets, and lower production costs.

Regarding the proposed section 3, §163D-16(d), Hawaii Revised Statutes (HRS), ADC's land licensing and lease agreements are determined by availability of agriculture land, tenant requests (acreage), economic viability of the crop for the specific land and are subject to public notice and Board approval. Much of the requested information in section 4, §163D-19(b), HRS can be made available in the department's annual report, which is also available on the department's website.

Thank you for the opportunity to testify.

COUNTY COUNCIL

Jay Furfaro, Chair Mason K. Chock, Sr., Vice Chair Tim Bynum Gary L. Hooser Ross Kagawa Mel Rapozo JoAnn A. Yukimura



Līhu'e, Kaua'i, Hawai'i 96766

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February 10, 2014

TESTIMONY OF GARY L. HOOSER COUNCILMEMBER, KAUA'I COUNTY COUNCIL

ON SB 2394, RELATING TO AGRICULTURAL LANDS MANAGED BY THE DEPARTMENT OF AGRICULTURE AND THE AGRIBUSINESS DEVELOPMENT CORPORATION

Committee on Agriculture Committee on Water and Land Tuesday, February 11, 2014 3:00 p.m. Conference Room 229

Dear Chair Nishihara, Chair Solomon and Committee Members:

Thank you for this opportunity to submit testimony in support of SB 2394, which disposes lands managed by the Department of Agriculture and the Agribusiness Development Corporation in various sizes to diversified tenants for the purpose of supporting a diversified agricultural economy. My testimony is submitted in my capacity as the Economic Development (Sustainability / Agriculture / Food / Energy) & Intergovernmental Relations Committee Chair and Councilmember of the Kaua'i County Council.

Agricultural diversification in Hawai'i provides income and job opportunities for our residents, and increases our goal to become more self-sufficient. It is also a way for farmers to respond to consumer demands in order to achieve sustainability for their operations. Supporting this Bill not only promotes a more diversified agricultural economy, but also provides opportunities for future farmers.

This testimony in support of SB 2394 is intended for the primary purpose of furthering the goal of increasing local food production and achieving self-sufficiency in Hawai'i.

For the reasons stated above, I encourage this Committee to unanimously pass SB 2394. Again, thank you for this opportunity to submit testimony.

Sincerely.

GARY L. HOOSER

Councilmember, Kaua'i County Council

AB:aa

From: mailinglist@capitol.hawaii.gov

To: AGL Testimony
Cc: mendezj@hawaii.edu

Subject: *Submitted testimony for SB2394 on Feb 11, 2014 15:00PM*

Date: Thursday, February 06, 2014 3:15:54 PM

SB2394

Submitted on: 2/6/2014

Testimony for AGL/WTL on Feb 11, 2014 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing	
Javier Mendez-Alvarez	Individual	Support	No	

Comments:

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From: mailinglist@capitol.hawaii.gov

To: AGL Testimony
Cc: ARosanoff@gmail.com

Subject: Submitted testimony for SB2394 on Feb 11, 2014 15:00PM

Date: Monday, February 10, 2014 1:27:27 PM

SB2394

Submitted on: 2/10/2014

Testimony for AGL/WTL on Feb 11, 2014 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Rosanoff	Individual	Support	No

Comments: This is a good bill for Hawaii AGriculture. There are so many niches of environmental diversity in Hawaii that the approach of small farming, mid-size farming as well as large-sized farming operations is totally appropriate in this state. Therefore, this bill addresses the Dept. of Agriculture and gives the structure for diversity of size of farming operation to be enhanced and forwarded. I strongly support this good legislation. A. Rosanoff, Ph.D. Center for Magnesium Education & Research Pahoa, HI 96778 808-965-7061

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To: AGL Testimony

Cc: <u>barbarapolk@hawaiiantel.net</u>

Subject: Submitted testimony for SB2394 on Feb 11, 2014 15:00PM

Date: Monday, February 10, 2014 2:18:07 PM

SB2394

Submitted on: 2/10/2014

Testimony for AGL/WTL on Feb 11, 2014 15:00PM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Polk	Individual	Support	No

Comments: I support SB 2394 that would require a diversity of tenants and land sizes in the granting of leases for agricultural purposes by the dept. of Agriculture and the Agriculture development Corporation. Doing so will aid in the diversity of crops grown in Hawaii, as well as allowing residents to be able to farm the smaller parcels of land. These moves are important in helping to provide food security for the State. I urge support for SB2394

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