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# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that new farmers face  
2 tremendous obstacles in starting a farm. For example, many new  
3 farmers face high infrastructure costs to provide water, sewer,  
4 and electrical services to the land. Farmers who lease land  
5 encounter difficulties in terminating leases when housing is  
6 situated on the leased land, while farmers who purchase private  
7 land face the prospect that lessees will demand lease to fee  
8 conversion.

9           Not surprisingly, even with the increasing interest in  
10 farming, the number of new farmers nationwide has declined by  
11 twenty per cent over the past five years. Further, the average  
12 age of a Hawaii farmer is higher than the national average, and  
13 that gap is increasing.

14           The legislature finds that the State, as owner of thousands  
15 of acres of agricultural land, can play a major role in  
16 addressing the barriers faced by prospective farmers by creating  
17 state-owned small farming communities. Agricultural areas with



1 two to five acre lots, each with a clustered off-grid housing  
2 unit, leased to the farmer, can address many of the challenges  
3 faced by prospective farmers, while also addressing potential  
4 infrastructure, eviction, and inefficiency problems for the  
5 landowner.

6 The purpose of this Act is to encourage farming in the  
7 State by establishing a five-year energy independent farming  
8 community pilot project to provide support to persons who want  
9 to be farmers.

10 SECTION 2. (a) The University of Hawaii, college of  
11 tropical agriculture and human resources, agribusiness incubator  
12 program shall establish a five-year energy independent farming  
13 community pilot project.

14 (b) The energy independent farming community pilot project  
15 shall:

- 16 (1) Be owned by the State;
- 17 (2) Be managed by a manager, who shall be appointed by the  
18 dean of the University of Hawaii, college of tropical  
19 agriculture and human resources;
- 20 (3) Contain land, housing, and shared facilities;



- 1           (4) Lease land and homes to tenants who shall use the land  
2           for agricultural purposes;
- 3           (5) Utilize state funds or bonds to fund the initial land  
4           improvements, including construction of roads,  
5           buildings, and wells;
- 6           (6) Charge lease rents in amounts designed to finance the  
7           capital costs, maintenance, and management of the  
8           energy independent farming community pilot project;  
9           and
- 10          (7) Shall be energy and water independent, including using  
11          photovoltaic panels, atmospheric water generators,  
12          solar water heaters, septic waste water systems, well  
13          water, and any other technological developments  
14          related to energy and water independence.
- 15          (c) The energy independent farming community pilot project  
16 may configure the land to allow for housing and shared  
17 facilities to be located in the center of the community with  
18 each house adjacent to the tenant's respective farm.
- 19          (d) The University of Hawaii may adopt rules pursuant to  
20 chapter 91, Hawaii Revised Statutes, for the purposes of this  
21 Act.



1 SECTION 3. The University of Hawaii shall submit interim  
 2 reports to the legislature no later than twenty days prior to  
 3 the convening of the regular sessions of 2017, 2018, 2019, and  
 4 2020, and a final report to the legislature no later than twenty  
 5 days prior to the convening of the regular session of 2021. The  
 6 reports shall contain information on the progress made toward  
 7 implementing the energy independent farming community pilot  
 8 project, the estimated amount of bonds required to finance the  
 9 project and infrastructure, status of the pilot project,  
 10 accomplishments of the pilot project, and proposed legislation,  
 11 if any. The final report shall also include a recommendation on  
 12 whether the pilot project should be made permanent.

13 SECTION 4. There is appropriated out of the general  
 14 revenues of the State of Hawaii the sum of \$ or so much  
 15 thereof as may be necessary for fiscal year 2016-2017 to fund  
 16 one full-time equivalent manager position (1.0 FTE) for the  
 17 energy independent farming community pilot project.

18 The sum appropriated shall be expended by the University of  
 19 Hawaii for the purposes of this Act.

20 SECTION 5. There is appropriated out of the general  
 21 revenues of the State of Hawaii the sum of \$ or so much



1 thereof as may be necessary for fiscal year 2016-2017 for the  
2 planning of an energy independent farming community pilot  
3 project.

4 The sum appropriated shall be expended by the University of  
5 Hawaii for the purposes of this Act.

6 SECTION 6. This Act shall take effect on July 1, 2016, and  
7 shall be repealed on June 30, 2021.



**Report Title:**

Energy Independent Farming Community; Pilot Project;  
Agriculture; Appropriation

**Description:**

Establishes, within CTAHR's agribusiness incubator program, a five-year energy independent farming community pilot project. Appropriates funds. (HB2676 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*





# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Written Testimony Presented Before the  
House Committee on Higher Education  
Tuesday, February 16, 2016 at 2:01 p.m.

By

Robert Bley-Vroman, Chancellor

And

Maria Gallo, Dean

And

J. Kenneth Grace, Associate Dean

College of Tropical Agriculture and Human Resources  
University of Hawai'i at Mānoa

### HB 2676 HD1 - RELATING TO AGRICULTURE

Chair Choy, Vice Chair Ichiyama, and members of the House Committee on Higher Education, thank you for this opportunity to testify in support of HB 2676 HD1, which appropriates funds to the University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources (CTAHR), Agribusiness Incubator Program for the establishment of a five-year energy independent farming community pilot project.

We support this measure provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Budget.

Beginning farmers in Hawai'i face substantial difficulties in obtaining affordable land to farm that is accessible and has adequate infrastructure. Additionally, most new farmers must live in one location, and commute to their agricultural land. The lease or mortgage costs associated with maintaining two pieces of property (residence and farm), the costs of commuting, and high risk of agricultural vandalism and theft at unattended farm lots, make this a very difficult, if not impossible, situation for the future generation of farmers. The resulting decline in those entering farming and succeeding at it threatens the food security of Hawai'i.

HB 2676 HD1 proposes to investigate and implement a novel solution to this dilemma by establishing sustainable, energy-independent farming communities on state land. These communities would share central facilities, with homes located adjacent to each tenant's farm. Modern technologies make such essentially off-the-grid communities with alternative energy sources, water reuse, and small, low-cost housing units a viable proposition.

The Agribusiness Incubator Program (AIP) has contributed to the business success of many small farmers and food producers in Hawai'i. Planning of such a farming community pilot project, including identification of economic and regulatory obstacles and possible solutions, is within the program's area of expertise. First year costs for planning and business plan development would be \$150,000 for AIP personnel and operational support. Other state agencies are expected to become involved as partners in subsequent years to address the business infrastructure and land stewardship needs of the pilot project.

The decline in new farmers is a serious issue for Hawai'i that demands novel approaches. We greatly appreciate the opportunity to testify in support of HB 2676 HD1.

**DAVID Y. IGE**  
Governor

**SHAN S. TSUTSUI**  
Lt. Governor



**SCOTT E. ENRIGHT**  
Chairperson, Board of Agriculture

**PHYLLIS SHIMABUKURO-GEISER**  
Deputy to the Chairperson

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 HOUSE COMMITTEE ON HIGHER EDUCATION**

February 16, 2016  
2:01 P.M.  
CONFERENCE ROOM 309

HOUSE BILL NO. 2676 HD1  
RELATING TO AGRICULTURE

Chairperson Choy and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2676 HD1, which establishes within the University of Hawaii College of Tropical Agriculture and Human Resources Agribusiness Incubator Program, a five-year energy independent farming community pilot project. There are two blank appropriations. The project includes land acquisition, infrastructure and housing development, land management and maintenance, and employment of technologies to cause energy and water independence. The Department of Agriculture supports the intent of this measure but defers to the College of Tropical Agriculture and Human Resources.

Thank you for the opportunity to submit our testimony.





**Written Testimony Presented Before the House Committee on Education**  
**Tuesday, February 16, 2016; 2:01pm**  
**By Steven Chiang**

**HB 2676.HD1 RELATING TO AGRICULTURE**

Chair Choy, Vice-Chair Ichiyama, and members of the committee, thank you for allowing me to testify in support of HB2676, which funds the Agribusiness Incubator Program to establish an energy-independent farming community pilot project.

As the Director of the Agribusiness Incubator Program, which provides business consulting to new and existing agribusinesses, and as the co-founder of the GoFarm Hawaii beginning farmer training program, I am well aware of the challenges Hawaii's farmers face.

As you may know, the average age of Hawaii's farmers continues to increase. What is most troubling to me is that, despite the evident increase in the interest in and support of farming, the number of beginning farmers nationwide has declined by 20% in the five years between the most recent USDA censuses. In my experience, a significant portion of this disparity is due to the difficulty in acquiring land to farm.

For the aspiring farmers that my two programs encounter across the state, the number one obstacle they face in actualizing their aspirations is the lack of accessible farmland. When I use the word "accessibility" I am not simply speaking of availability, as Hawaii has ample unused farmland. I am speaking of critical factors that impact beginning and small farmers' ability to feasibly farm a piece of land. Factors such as affordability, eligibility, and suitability.

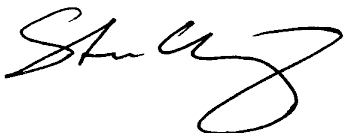
Passage of this bill would allow the State and other landowners to see that a cluster of extremely modest homes connected to small acreage lots and unconnected to utilities can address obstacles facing both landowners and farmers. Obstacles that, if overcome, will result in making more farmland accessible to small farmers.

Specifically, for landowners, this innovative model of energy independent clustered farm housing will obviate many infrastructure costs, simplify termination of leases, promote leasing of larger parcel sizes, enhance the agricultural appeal of lands disconnected from utilities, and generate more revenue per acre.

For farmers, this model will make farming more affordable, reduce ag theft, increase farm productivity, and increase the likelihood of being able to acquire farmland at all.

My preliminary analysis on the return on investment for this model is promising, and that is without factoring in any effects to the economy from the additional farm businesses or lease rents and without factoring in the benefits to the State that come from increased food security and productive agricultural land use.

There is an urgent need to address the issue of farmland accessibility, and this bill will help to develop a very promising and innovative solution that will serve as a model for governmental and private landowners in Hawaii and beyond. I strongly urge the committee to support its passage. Thank you.



Steven Chiang

**ichiyama2-Brandon**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 15, 2016 2:23 AM  
**To:** HEDtestimony  
**Cc:** brian@hfbf.org  
**Subject:** \*Submitted testimony for HB2676 on Feb 16, 2016 14:01PM\*

**HB2676**

Submitted on: 2/15/2016

Testimony for HED on Feb 16, 2016 14:01PM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Randy Cabral	Hawaii Farm Bureau	Support	Yes

Comments:

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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ichiyama2-Brandon

**LATE**

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 16, 2016 9:47 AM  
**To:** HEDtestimony  
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**Subject:** \*Submitted testimony for HB2676 on Feb 16, 2016 14:01PM\*

**HB2676**

Submitted on: 2/16/2016

Testimony for HED on Feb 16, 2016 14:01PM in Conference Room 309

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Regina Gregory	Individual	Support	No

Comments:

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