

SB 1162

Prohibits any subdivision, including by condominium property regime, of parcels of agricultural lands one hundred acres or greater in size if at least 50 per cent of the parcel has soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B.

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEES ON AGRICULTURE AND WATER AND LAND

February 2, 2015
2:50 P.M.
ROOM 224

SENATE BILL NO. 1162
RELATING TO THE AGRICULTURE

Chairpersons Ruderman and Thielen and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No.1162, which would prohibit the subdivision of, or the creation of a condominium property regime on a parcel of land in the State Agricultural District of 100 acres or greater, and for which at least 50 percent of the land in the parcel is rated "A" or "B" by the Land Study Bureau (LSB)'s overall productivity rating. The Department supports the intent of the bill and offers recommendations.

We believe that the ongoing subdivision and placement of agricultural land into CPRs, particularly "A" and "B" rated lands with little, if any, agricultural activity is unjustified in light of the statewide initiatives and public interest in support of food security and food self-sufficiency. Subdivisions and CPRs without controls, monitoring, and enforcement result in harm to agriculture by allowing increases in the value of agricultural lands unrelated to it agricultural productivity. This increase in value makes agricultural land unaffordable to farmers who are unable to purchase or lease agricultural lands for commercial farming.



However, before invoking a statewide prohibition of subdivision and CPRs as specified in this measure, the Department recommends there be additional research quantifying the actual harm done by subdivision and CPR of agricultural land, and include public discussion on this issue. Additionally, we recommend research on whether this measure may inadvertently prevent farmers from acquiring lease lands such as in the Department's proposed Royal Kunia Agricultural Park that has "A" rated lands and has not been subdivided yet. Finally, any proposed action should involve the counties who have the primary authority in granting subdivisions of agricultural land.

Thank you for the opportunity to testify on this important measure.



OFFICE OF PLANNING STATE OF HAWAII

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <http://planning.hawaii.gov/>

DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
ACTING DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Acting Director, Office of Planning
before the
**SENATE COMMITTEE ON AGRICULTURE
AND
SENATE COMMITTEE ON WATER AND LAND**
Monday, February 2, 2015
2:50 PM
State Capitol, Conference Room 224

in consideration of
SB 1162
RELATING TO AGRICULTURE.

Chairs Ruderman and Thielen, Vice Chairs Riviere and Galuteria, and Members of the Senate Committees on Agriculture and Water and Land.

The Office of Planning (OP) supports SB 1162, and respectfully offers comments on this measure.

SB 1162 would amend Hawaii Revised Statutes (HRS) Chapters 205 and 514B to prohibit the subdivision of, or the creation of a condominium property regime (CPR) on, a parcel of agricultural land one hundred acres or more in size, of which fifty percent or more of the parcel has soils classified as Land Study Bureau (LSB) overall (master) productivity rating, "A" or "B".

The retention of large, contiguous parcels of agricultural land is critical for the long-term viability of commercial agriculture in Hawaii. A range of tools are needed to effectively protect agricultural lands from fragmentation. SB 1162 offers one mechanism to begin to address this issue.

Preliminary analysis performed for Oahu by OP's GIS Program indicates that approximately 25,600 acres—involving 51 parcels with 50 percent or more of its soils rated either LSB “A” or “B”—in the State Agricultural District might be protected from subdivision activity under this measure.

The following specific comments regarding the bill are offered for your consideration:

- OP recommends use of the term, “lot of record,” rather than “parcel” since “lot of record” has a more precise meaning under county codes;
- A horizontal condominium property regime is not a subdivision. OP recommends revising the definition of subdivision in Section 2 of the bill to avoid unnecessary confusion or conflict with county codes;
- Prohibition of the subdivision of large agricultural lots under HRS Section 205-4.5(f) may make it more difficult for smaller farmers to have access to affordable leased land under the mechanism provided in the section;
- Prohibition of CPRs on all large parcels bars bona fide agricultural entities, like a farmer cooperative, from using a CPR to create separate interests in the land for individual farmers’ operational and financing purposes without subdividing and fragmenting the lot of record; and
- Verification of LSB ratings may be required to assist Real Estate Commission staff in their review of applications for CPR registration.

Thank you for the opportunity to testify on this measure.



Chamber of Commerce HAWAII

The Voice of Business

Testimony to the Senate Committee on Agriculture and Committee on Water and Land

Monday, February 2, 2015 at 2:50 P.M.
Conference Room 224, State Capitol

RE: SENATE BILL 1162 RELATING TO AGRICULTURE

Chairs Ruderman and Thielen, Vice Chairs Riviere and Galuteria, and Members of the Committees:

The Chamber **opposes S.B. 1162** which prohibits any subdivision, including by condominium property regime, of parcels of agricultural lands one hundred acres or greater in size if at least 50 per cent of the parcel has soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

It is unclear from the information provided, on what problem or situation the proposed bill is intended to address. With the demise of plantations and mono-crops, it stands to reason that prohibiting the subdivision of large "productive lands" would eliminate opportunities for smaller agri-businesses to secure a real estate interest in smaller lots.

Furthermore, reliance on the rating system of the Land Study Bureau should be reassessed. Our understanding is that the Land Study Bureau of the University of Hawaii prepared an inventory and evaluation of the State's land resources during the 1960's and 1970's. During this time period, both sugar and pineapple were being grown on plantations throughout the State. The Bureau grouped all lands in the State, except those in the urban district, into homogeneous units of land types; described their condition and environment; rated the land on its over-all quality in terms of agricultural productivity; appraised its performance for selected alternative crops; and delineated the various land types and groupings based on soil properties and productive capabilities.

One of the factors considered in the rating was rainfall and irrigation. As a general rule, lands in the higher rainfall zones are cloudy and therefore lower in productivity; irrigated lands are rated 100 because the moisture requirement is adequately met. It is the general assumption that where irrigation is required, climate is usually satisfactory for crop production."



The rating systems reliance on irrigation being provided by the plantations would limit how the lands should be rated today as most of the plantation provided irrigation systems have been abandoned or are inoperable.

Thank you for the opportunity to express our views on this matter.

BIA-HAWAII

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MAILING
P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797
P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the Senate Committees on Agriculture, And Water and Land Monday, February 2, 2015 2:50 p.m. State Capitol - Conference Room 224

RE: SENATE BILL NO. 1162 RELATING TO AGRICULTURE

Chairs Rudeman and Thielen, and Vice Chairs Riviere and Galuteria, and members of the committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII is opposed to S.B. 1162, which prohibits any subdivision, including by condominium property regime, of parcels of agricultural lands one hundred acres or greater in size if at least 50 percent of the parcel has soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B.

It is unclear from the information provided, what problem or situation the proposed bill is intended to address. With the demise of plantations and monocrops, it stands to reason that prohibiting the subdivision of large "productive lands" would eliminate opportunities for smaller agri-businesses to secure a real estate interest on smaller lots.

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The rating system's reliance on irrigation being provided by the plantations would limit how the lands would be rated today as most of the plantation provided irrigation systems have been abandoned or are inoperable.

Thank you for the opportunity to express our views on this matter.

Michael Greenough

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 01, 2015 8:40 PM
To: AGL Testimony
Cc: legechair@gmail.com
Subject: *Submitted testimony for SB1162 on Feb 2, 2015 14:50PM*

SB1162

Submitted on: 2/1/2015

Testimony for AGL/WTL on Feb 2, 2015 14:50PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Simon Russell	Hawaii Farmers Union United	Support	No

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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Michael Greenough

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 02, 2015 6:46 AM
To: AGL Testimony
Cc: terez.amato@yahoo.com
Subject: Submitted testimony for SB1162 on Feb 2, 2015 14:50PM

SB1162

Submitted on: 2/2/2015

Testimony for AGLWTL on Feb 2, 2015 14:50PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Terez Amato Lindsey	Individual	Support	No

Comments: I am in support of SB1162

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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