

**DAVID Y. IGE**  
Governor

**SHAN S. TSUTSUI**  
Lt. Governor



**JAMES J. NAKATANI**  
Executive Director

STATE OF HAWAII  
**AGRIBUSINESS DEVELOPMENT CORPORATION**  
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**TESTIMONY OF JAMES J. NAKATANI**  
**EXECUTIVE DIRECTOR**  
**AGRIBUSINESS DEVELOPMENT CORPORATION**  
**BEFORE THE HOUSE COMMITTEE ON FINANCE**

Thursday, April 7, 2016  
2:01 p.m.

**SENATE BILL NO. 1374 S.D. 2, H.D. 2**  
**RELATING TO LAND EXCHANGE**

Chairperson Luke and Members of the Committee:

The Agribusiness Development Corporation (“ADC”) strongly supports Senate Bill No. 1374 S.D. 2, H.D. 2 which appropriates funds to investigate the possibility of exchanging state land for land owned by Dole Food Company Inc.

Land is the most critical component in enhancing the State’s food security. Obtaining the Dole lands through a land exchange may significantly increase the available agricultural land on Oahu for food production and may offer many possibilities to boost the economic viability of the agriculture industry as a whole. Today, many local farmers are struggling to stay in business, or are contemplating giving up their farm operations due to a number of challenges. The high cost of agricultural land and the inability to secure a long-term land agreement continue to be major barriers that inhibit local farms from thriving in Hawaii.

Dole has a large inventory of excess land that has been fallow for years and has listed several contiguous and non-contiguous parcels that are of high-value for agricultural and conservational purposes for sale between central Oahu and the North Shore. The ADC believes keeping Dole's agricultural lands in agriculture should be considered as a high priority because of the potential benefits and opportunities it presents.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Thursday, April 7, 2016  
2:01 PM  
State Capitol, Conference Room 308**

**In consideration of  
SENATE BILL 1374, SENATE DRAFT 2, HOUSE DRAFT 2  
RELATING TO LAND EXCHANGE**

Senate Bill 1374, Senate Draft 2, House Draft 2 proposes to require the Department of Agriculture to negotiate land exchanges with Dole Food Company, Inc., and requires a report to the Legislature of the negotiated land exchanges for final approval. **The Department of Land and Natural Resources (Department) supports and provides the following comments on this measure.**

The Department, through its Division of Forestry and Wildlife (DOFAW), has been working for several years to acquire a portion of these Dole Food Company, Inc., lands in the Helemano/Poamoho area totaling over 3,000 acres of conservation and agricultural district lands. The Helemano project will add to the state Forest Reserve System managed by the DOFAW. The addition of these lands will broaden the State's economic base by producing, improving, and assisting in the production of high quality forest products. A sustainable forest industry will maintain and create jobs and generate revenue for the State of Hawaii. Further, reforestation of degraded agricultural lands improves watershed values, controls soil erosion, and enhances wildlife habitat.

Future public use of the Helemano project includes multiple uses, such as public recreation (e.g.: hiking, biking, and camping); forest product opportunities (e.g.: timber, non-timber, and culturally important forest products); and public hunting. The Department is close to securing approximately \$8.8 million for the acquisition of four parcels in this area from federal, state and county grant funding programs. The Department would like to ensure that these plans are not disrupted by the proposed Dole Food Company, Inc., land exchange. The current Senate Bill

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**KEKOA KALUHIWA**  
FIRST DEPUTY

**JEFFREY T. PEARSON, P.E.**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

1374, House Draft 2 allows for the flexibility to consider the land exchange as well as continue the Department's Helemano acquisition project.

Further, the Department is unable to comment on the state land impact of this measure as it does not identify any state parcels for exchange and does not specify the type of state land to be exchanged. In this regard, the Department requests the following considerations:

- To ensure against loss of important lands currently under its stewardship and management for public purpose use, including the protection of natural, cultural and historical resources and providing for public recreation.
- That the appropriate due diligence is done for any exchange of state lands, including title, property condition, use, and value.
- That any land exchange would be subject to the requirements of Section 171-50, Hawaii Revised Statutes, including the approval by both the Board of Land and Natural Resources and a majority of both houses of the Legislature.

Thank you for your consideration of this testimony.

DAVID Y. IGE  
Governor

SHAN S. TSUTSUI  
Lt. Governor



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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 HOUSE COMMITTEE ON FINANCE**

April 7, 2016  
2:01 P.M.  
CONFERENCE ROOM 308

**SENATE BILL NO. 1374 SD2 HD2  
RELATING TO LAND EXCHANGE**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill No. 1374 SD2 HD2.  
This measure requires the Department of Agriculture to:

1. Negotiate land exchanges with Dole Food Company, in coordination with the Agribusiness Development Corporation, the Department of Land and Natural Resources, and other State agencies having State land appropriate for exchange;
2. Submit a report to the 2017 legislature on the feasibility of land exchanges of parcels of high interest to the State and the market values and any appropriations, proposed legislation, or administrative action necessary to accomplish the goals of this Act.

The Department of Agriculture supports the intent of this measure and offers a comment.

This measure proposes acquisition of Dole Food Company properties by the State through land exchange for the purpose of supporting long-term diversified



agricultural production. Having the State acquire prime agricultural lands in fee and with land rents based on the agricultural productivity of the land is the most direct means to ensure the availability of agricultural lands for agricultural production in perpetuity. The Department of Agriculture believes the process to evaluate, prioritize, select, and complete land exchanges as contemplated in this measure will require the cooperation and expertise of other agencies.

Thank you for the opportunity to present our testimony on this important bill.