

SB 3098

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 COMMITTEE ON WATER, LAND, AND AGRICULTURE

February 10, 2016
3:30 P.M.
CONFERENCE ROOM 224

**SENATE BILL NO. 3098
RELATING TO AGRICULTURE**

Chairperson Gabbard and Members of the Committee:

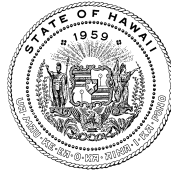
Thank you for the opportunity to testify on Senate Bill No. 3098. The purpose of this measure is have the department of agriculture, agribusiness development corporation, senate president, and speaker of the house, work together to identify agricultural land for the State to purchase. It also sets up a fund to receive moneys to manage and acquire the identified lands. The department recognizes the intent of this bill, however, respectfully requests clarification on its intended implementation.

The availability of desirable agricultural land is often triggered by a singular event such as the Dole lands in the central plain of Oahu. Keeping these lands in agriculture is vitally important to support the continued drive toward sustainability. We are eager to assist in this transition to identify lands that can be transferred to the department for development.

Thank you for the opportunity to testify.



DAVID Y. IGE
GOVERNOR



WRITTEN ONLY

WESLEY K. MACHIDA
DIRECTOR

RODERICK K. BECKER
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

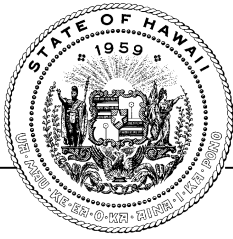
TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE
ON
SENATE BILL NO. 3098

February 10, 2016
3:30 p.m.

RELATING TO AGRICULTURE

Senate Bill No. 3098 mandates the Department of Agriculture, in consultation with the Senate President and the Speaker of the House of Representatives, to develop and occasionally revise a land acquisition plan to guide the Agribusiness Development Corporation in efforts to acquire and manage agricultural lands having value to the State. The bill also establishes an Agricultural Land Acquisition Special Fund to be used for the purposes of developing and implementing the land acquisition plan.

While the Department of Budget and Finance does not take any position on the development of a land acquisition plan, as a matter of general policy, the department does not support the creation of special funds which do not meet the requirements of Section 37-52.3, Hawaii Revised Statutes. Special funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 3098, it is difficult to determine whether the proposed sources of revenues will be self-sustaining.



**OFFICE OF PLANNING
STATE OF HAWAII**

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DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE
Wednesday, February 10, 2016
3:30 PM
State Capitol, Conference Room 224

in consideration of
SB 3098
RELATING TO AGRICULTURE.

Chair Gabbard, Vice Chair Nishihara, and Members of the Senate Committee on Water, Land, and Agriculture.

The Office of Planning (OP) supports the intent of SB 3098, but defers to the Department of Agriculture (DOA) and the Agribusiness Development Corporation (ADC) as to its impacts on their programs and budget priorities. SB 3098 would add a new chapter for the establishment of a State program and agricultural land acquisition fund for the long-term protection of agricultural land of value to the State through the acquisition of fee title or conservation easements. Under this proposal, DOA would be responsible for preparing an agricultural land acquisition plan, administering the fund, and receiving applications and making recommendations for acquisitions, and managing the land so acquired. ADC would be responsible for the approval of acquisitions, subject to Hawaii Revised Statutes (HRS) Chapter 171, the acquisition and disposal of land acquired with funds from the special fund, or the grant of funds to State agencies, the counties, or nonprofit agricultural organizations.

The acquisition of agricultural land in fee or through perpetual or long-term easements is the most effective tool for preservation of agricultural land, and a much-needed component to any State program to protect and ensure the availability of affordable agricultural land over the long-term. Approximately 28 other states have adopted similar targeted programs to fund the protection of agricultural land; the State of Maryland enacted their program in 1977. This proposal would augment the protection of designated important agricultural land (IAL) and complement efforts of the State’s Legacy Lands Commission. It would also provide a dedicated fund to meet matching funds requirements necessary to access funds from the U.S. Department of Agriculture, Natural Resources Conservation Service’s Agricultural Conservation Easement Program, which provides federal matching funds to eligible entities to buy conservation easements on farm and ranch land.

OP respectfully offers the following comments to address concerns we have regarding specific provisions of the bill:

1. The definition of “agricultural land” on page 4 is too narrow. It should be broadened to incorporate consideration of other qualifying, productive lands, such as the standards and criteria in HRS § 205-44 for the identification of lands for designation as IAL.
2. Reference to the “land use law” on page 14, lines 11-12, should be replaced with “chapter 205.”
3. Greater flexibility, streamlining of efforts, and coordination in implementation can be achieved if: (1) DOA is able to develop the agricultural land preservation plan without consultation with the Legislature as written, since all

recommendations for acquisitions and approvals of acquisitions must be vetted with the Legislature by the ADC anyway; (2) there is a defined relationship between the DOA agricultural land preservation plan and ADC's annual program; and (3) the DOA agricultural land preservation plan must be used in prioritizing applications for funding.

4. This measure would also be strengthened by the identification of a permanent funding source, as is common in other mainland programs.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



JAMES J. NAKATANI
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Room 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON WATER, LAND, AND AGRICULTURE

Wednesday, February 10, 2016
3:30 p.m.

SENATE BILL NO. 3098
RELATIING TO AGRICULTURE

Chairperson Gabbard and Members of the Committee:

My name is James Nakatani, Executive Director of the Agribusiness Development Corporation (“ADC”). The ADC supports Senate Bill No. 3098 and would like to offer comments on this measure which seeks to provide for the acquisition and management of agricultural lands having value to the State for agricultural purposes to conserve and protect these lands pursuant to Article XI, section 3, of the Constitution of the State of Hawaii.

The ADC is an agency attached to the Hawaii Department of Agriculture (“HDOA”) tasked with transitioning fallow plantation land into cropland to provide economic opportunities for diversified agriculture operations, and providing solutions to certain bottleneck issues facing today’s agriculture industry.

Currently, there is no entity specifically tasked to help the State meet its constitutional mandate to conserve and protect agricultural lands. The ADC

agrees that dedicating a source of funds to identify, acquire, and manage high valued agricultural lands is paramount to achieving self-sustainability and should be made a priority. However, this measure in its current draft may not be the most practical way to accomplish these objectives.

After reviewing the measure, the ADC uncovered several inconsistencies regarding the administration of this program as the roles and responsibilities of the HDOA and ADC are not clearly delineated. In addition to the confusion about the administrative roles and responsibilities, there is also concern about the source and availability of funding for this program.

If the legislative intent of this measure is to establish a fund within the HDOA to provide a dedicated source of funding for the acquisition and management of agricultural land having high value to the State, the ADC would prefer the structure of Senate Bill No. 2795, which provides a definitive funding source and a more straightforward approach to accomplish these objectives. Furthermore, the ADC also suggest these funds be administered at the sole discretion of the Board of Agriculture, as it would be more appropriate for one agency to administer the program and coordinate with the other to streamline these efforts.

Thank you for the opportunity to testify.



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February 10, 2016

HEARING BEFORE THE
SENATE COMMITTEE ON WATER, LAND, AND AGRICULTURE

TESTIMONY ON SB 3098
RELATING TO AGRICULTURE

Room 224
3:30 PM

Aloha Chair Gabbard, Vice Chair Nishihara, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFB supports SB 3098, which provides for the acquisition and management of agricultural lands having value to the State by the department of agriculture and the agribusiness development corporation

HFB believes that in order for agriculture to flourish in Hawaii and reach their full potential, land availability and long-term leases at affordable and predictable lease rental rates are critical. The acquisition by the state of agricultural lands will significantly increase the available agricultural land under the State's control and will provide farmers with long-term leases that will enhance the economic viability of Hawaii's agriculture industry.

We believe this is an opportunity to further support and expand the state's ability to provide agricultural lands for farmers, which is consistent with the State's goal of increasing self sufficiency and sustainability.

Thank you for the opportunity to testify on this measure.

From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: legechair@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Tuesday, February 09, 2016 11:30:51 PM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM 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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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: charobrien@gmail.com
Subject: Submitted testimony for SB3098 on Feb 10, 2016 15:30PM
Date: Monday, February 08, 2016 9:12:28 PM

SB3098

Submitted on: 2/8/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Charlotte OBrien	Carbon Drawdown Solutions, Inc.	Support	No

Comments: With the States wise decesion to focus on food security it only makes sense to have more state owned ag lands. And there will need to be money given to clean up these lands.

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**LARRY JEFTS FARMS, LLC
PO BOX 27
KUNIA, HAWAII 96759
(808) 688-2892**

SB 3098, Relating to Agriculture
Senate WLA Committee
Wednesday, February 10, 2015
3:30 pm
Conference Room 224

Written Testimony by: Larry Jeffs
Position: Support

Chair Gabbard and Members of the Senate WLA Committee:

I am Larry Jeffs, owner and operator of Larry Jeffs Farms, LLC, which is part of our family-run business of farms on Oahu and Molokai, under the administrative umbrella of Sugarland Growers, Inc. We have more than 35 years of Hawaii farm experience on Molokai and Oahu.

Appreciation and support is expressed for this proposal that seeks to preserve large tracts of agricultural lands that are currently available and may be available in the future.

Contiguous large agriculture lands purchased by the State will remain in agriculture for the public good. It will not be lost to competitive demands for commercial use. State funded initiatives like the Galbraith land or Whitmore Project provide agriculture production opportunities to farmers who may not have had access to farm land or other agriculture facilities.

Your support of this measure is greatly appreciated.

From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: Alana.Ross@hotmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Tuesday, February 09, 2016 3:09:53 PM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
AlanaRoss	Individual	Support	No

Comments:

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To: [WLA Testimony](#)
Cc: Benjitheshammy@gmail.com
Subject: Submitted testimony for SB3098 on Feb 10, 2016 15:30PM
Date: Wednesday, February 10, 2016 2:21:55 AM

SB3098

Submitted on: 2/10/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Ben Hambright	Individual	Support	No

Comments: We need 3,000-5,000 young farmers on 3-5 acre parcels to feed Hawaii locally, but I'm starting to wonder if that's anybody's goal in the government here. But why not do it if it means healthier, happier people?

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: dave@digestionperfection.com
Subject: Submitted testimony for SB3098 on Feb 10, 2016 15:30PM
Date: Tuesday, February 09, 2016 1:10:44 PM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
David Klein, Ph.D.	Individual	Support	No

Comments: I support his bill if its intent is to designate more organic farmlands.

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To: [WLA Testimony](#)
Cc: ihemphi@live.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Monday, February 08, 2016 3:11:54 PM

SB3098

Submitted on: 2/8/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Denise Key	Individual	Support	No

Comments:

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To: [WLA Testimony](#)
Cc: whoru@hawaiiantel.net
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Monday, February 08, 2016 12:15:41 PM

SB3098

Submitted on: 2/8/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Dennis F Lokmer	Individual	Support	No

Comments:

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Cc: kauaihale@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Tuesday, February 09, 2016 7:47:49 AM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Louisa Wooton	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
To: [WLA Testimony](#)
Cc: marie.janiszewski@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Tuesday, February 09, 2016 7:10:42 AM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
marie janiszewski	Individual	Support	No

Comments:

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Cc: naomi.picinich@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Tuesday, February 09, 2016 2:11:03 PM

SB3098

Submitted on: 2/9/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
naomi	Individual	Support	No

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To: [WLA Testimony](#)
Cc: neil.vonhof@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Monday, February 08, 2016 10:45:52 AM

SB3098

Submitted on: 2/8/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Neil Vonhof	Individual	Support	No

Comments:

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Cc: tracy.emills@gmail.com
Subject: *Submitted testimony for SB3098 on Feb 10, 2016 15:30PM*
Date: Monday, February 08, 2016 12:32:12 PM

SB3098

Submitted on: 2/8/2016

Testimony for WLA on Feb 10, 2016 15:30PM in Conference Room 224

Submitted By	Organization	Testifier Position	Present at Hearing
Tracy E Mills	Individual	Support	No

Comments:

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