

# **SB719**

## **RELATING TO AGRICULTURE**

**Requires DOA to establish an affordable farming land trust for the purpose of providing affordable long-term, renewable leases to farmers.**

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**  
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**TESTIMONY OF SCOTT E. ENRIGHT  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEE ON AGRICULTURE**

February 17, 2015  
3:35 P.M.  
CONFERENCE ROOM 414

**SENATE BILL NO. 719  
RELATING TO AGRICULTURE**

Chairperson Ruderman and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 719. This bill amends Chapter 141 to require the Department of Agriculture to establish an affordable farming land trust that is a member-based, non-profit organization for the purpose of providing affordable long-term renewable leases of up to 99 years to sustainable family farmers. The Department of Agriculture supports the intent of this measure but believes it is not necessary as it is largely duplicative of existing farmland programs established within the department.

We note that the among the primary responsibilities and duties of the trust is acquiring privately-owned agricultural land and to perform as a private landowner, offering to lease the lands to sustainable family farmers with long terms, and to be able to purchase structural improvements made by farmer lessees on a lot in a manner that ensures the improvements remain affordable to farmers. These responsibilities and duties are encompassed within our existing agricultural park (Chapter 166) and non-agricultural park (Chapter 166E) programs that acquire agricultural lands that are or become public land, develop necessary infrastructure, and lease lands to qualified farmers, all in accordance with our program rules. These agricultural and non-



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agricultural park lands are stable farming communities assisted by a strong and affirmative management function.

Thank you for the opportunity to present our testimony.

DAVID Y. IGE  
GOVERNOR OF HAWAII



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

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**Testimony of  
CARTY S. CHANG  
Interim Chairperson**

**Before the Senate Committee on  
AGRICULTURE**

**Tuesday, February 17, 2015  
3:35 PM  
State Capitol, Room 414**

**In consideration of  
SENATE BILL 719  
RELATING TO AGRICULTURE**

Senate Bill 719 proposes to require the Department of Agriculture to establish an affordable farming land trust for the purpose of providing affordable long term, renewable leases to farmers. **The Department of Land and Natural Resources (“Department”) offers the following comments.**

To the extent this measure is intended to apply to state lands, then the Department has concerns that the measure would allow the use of public lands for the benefit of private entities without any benefit (or very little benefit) to the public. The maximum ninety-nine (99)-year lease term allowed by the land trust far exceed the maximum allowable lease terms for public lands established in Chapter 171, Hawaii Revised Statutes<sup>1</sup>. Additionally, the measure does not require that the State receive any type of return, reasonable or otherwise, for the use of public lands by the land trust. Furthermore, the measure does not set forth any requirements for a competitive process for obtaining leases from the land trust. Considering that the lessees of the farm trust lands also have the first option of purchasing structural improvements placed on the land (regardless of who initially placed the improvements), the effect is that the public lands under the control of the land trust will essentially be privatized.

The measure also does not appear to serve the State’s goal of food self-sufficiency, as it notes that the primary use of the land under the authority of the lands trust shall be for growing crops, but does not contain any mandate for growing food crops for use in the local market. The allowable use is

<sup>1</sup> The Department generally issues leases with terms up to a maximum of 65-years. Certain residential leases (for those minimally left in the inventory) can be granted an extension not to exceed 75 years. Section 171-36(a)(2), HRS.

**CARTY S. CHANG**  
INTERIM CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**DANIEL S. QUINN**  
INTERIM FIRST DEPUTY

**W. ROY HARDY**  
ACTING 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

broad enough to allow production of crops for more financially lucrative purposes as bio-fuels that may not be in need of such an additional handsome subsidy. Finally, the allowance of farm dwellings, even if used exclusively for farmers and their immediate family, could potentially lead to the creation of so-called gentleman's estates on public lands for terms that extend for beyond the farmer's actual life time.

**COUNTY COUNCIL**

Mel Rapozo, Chair  
Ross Kagawa, Vice Chair  
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February 13, 2015

**TESTIMONY OF KIPUKAI KUALII**  
**COUNCILMEMBER, KAUA'I COUNTY COUNCIL**  
**ON**  
**SB 719, RELATING TO AGRICULTURE**  
**Senate Committee on Agriculture**  
**Tuesday, February 17, 2015**  
**3:35 p.m.**  
**Conference Room 414**

Dear Chair Ruderman and Members of the Committee:

Thank you for this opportunity to submit testimony in support of SB 719 relating to Agriculture, whereby the State Department of Agriculture (DOA) shall establish an affordable farming land trust for the purpose of providing affordable long-term, renewable leases to farmers. My testimony is submitted in my capacity as the Economic Development & Intergovernmental Relations Committee Chair and as an individual Councilmember of the Kaua'i County Council.

SB 719 has the potential to benefit and expand agricultural endeavors throughout our state, by providing critical assistance to farmers who might otherwise be priced out of the business. It is crucial to Hawai'i's future that we as lawmakers support small business start-ups, and innovative approaches such as agricultural cooperatives located within communities. My hope is that this measure would give priority to small farming operations, and to farmers who grow local foods, biomass crops, and native plants.

For the reasons stated above, I encourage the Senate Committee on Agriculture to support this measure. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

**KIPUKAI KUALII**  
Councilmember, Kaua'i County Council

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