

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
Lt. Governor



JAMES J. NAKATANI
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

235 S. Beretania Street, Room 205
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TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON FINANCE
Friday, February 23, 2018
12:00 p.m.

HOUSE BILL NO. 1976 H.D. 1
RELATING TO IRRIGATION

Chairperson Luke and Members of the Committee:

My name is James Nakatani, Executive Director of the Agribusiness Development Corporation (“ADC”). The ADC supports House Bill No. 1976 H.D. 1, which authorizes the issuance of general obligation bonds and appropriates funds to finance capital improvements to the Waiahole Irrigation System.

The ADC is an agency attached to the Hawaii Department of Agriculture tasked with transitioning former plantation lands and water systems for diversified agriculture and providing solutions to certain bottleneck issues facing today’s agriculture industry.

The Waiahole Irrigation System (System) provides water to approximately 5,866 acres in the central plain that are in agricultural use. The system is of critical importance not only because of the impact on the production of crops but also because of the economic impact on the community.

Recognizing this, the ADC is taking steps to improve the efficiency of the System to reduce water loss, which can be attributed to several factors including operational

practices, seepage, leakage, soil attributes, evaporation and transpiration, illegal withdraws, structure conditions, and climate patterns.

The funding will provide the capital to make the necessary upgrades and improvements to ensure the System can deliver a reliable source of water for agricultural use for another 100 years. We appreciate your consideration of this measure.

Thank you for the opportunity to testify, and for your consideration of this bill.

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
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 HOUSE COMMITTEE ON FINANCE

FEBRUARY 23, 2018
12:00 P.M.
CONFERENCE ROOM 308

HOUSE BILL NO. 1976 HD1
RELATING TO IRRIGATION

Chairperson Luke and Members of the Committee:

Thank for the opportunity to testify on House Bill No. 1976 HD1 which authorizes general obligation bonds to finance capital improvements to the Waiahole Irrigation System. The Department strongly supports this measure.

Water is the lifeblood of agriculture. Efficient and reliable irrigation systems transport this resource to where it can be effectively used best. The State's irrigation systems are called upon to provide billions of gallons of agricultural water every year. The Waiahole Irrigation System, run by the Agribusiness Development Corporation, services the many agriculturalists in Oahu's central plain. This measure seeks to provide additional vital infrastructure funding for the Waiahole Irrigation System, which was built over a century ago, to ensure water security for Hawaii's local farmers.

Thank you for the opportunity to testify on this measure.





February 21, 2018

Representative Sylvia Luke, Chair
Representative Ty J.K. Cullen, Vice-Chair
House Committee on Finance

Support of HB 1976, H.D. 1, Relating to Irrigation (Authorizes the issuance of general obligation bonds and appropriates funds to finance capital improvements to the Waiahole Irrigation System.)

Friday, February 23, 2018, 12:00 p.m., in Conference Room 308

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of HB 1976, H.D. 1** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands (IAL) in Hawaii.

HB 1976, H.D. 1. The purpose of this bill is to provide additional funding for improvements to the Waiahole irrigation system.

LURF's Position. Since large amounts of prime agricultural lands and irrigation systems became available for conversion to diversified agriculture due to the plantation closures in the 1990s, the State has had the opportunity to strengthen and expand Hawaii's diversified agriculture industry. Agricultural lands, however, require significant quantities of water to support and maintain productivity. To ensure that local agricultural producers may continue to receive a dependable supply of water for crops, as well as research and development operations, sufficient funding is necessary to improve, repair and maintain Hawaii's irrigation systems.

The Waiahole irrigation system, one of Hawaii's most important irrigation systems, is over a hundred years old, 23.5 miles long, and services thousands of acres of productive agricultural lands in central Oahu. The system is one of many irrigation systems throughout the State which are vital to Hawaii's agricultural industry.

Local farmers and ranchers who rely on irrigation systems to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. These agricultural stakeholders believe measures such as HB 1976, H.D. 1 will greatly assist by providing funding necessary to make improvements to the Waiahole irrigation system for the long-term betterment of the State's agricultural industry and look to legislation like this to help them work toward the expansion of diversified agriculture; promote the agricultural self-sufficiency of the State; and to protect water as an important resource.

For the above reasons, LURF **supports HB 1976, H.D. 1**, and respectfully urges your favorable consideration.

Thank you for the opportunity to provide comments in support of this matter.



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February 23, 2018

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1976, HD1
RELATING TO IRRIGATION

Room 308
12:00 PM

Aloha Chair Luke, Vice Chair Cullen, 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 interests of our diverse agricultural community.

The Hawaii Farm Bureau strongly supports HB 1976, HD1, which authorizes the Director of Finance to issue general obligation bonds to finance capital improvements to the Waiahole Irrigation System.

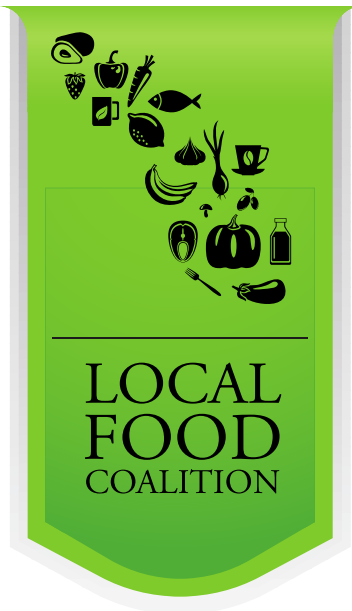
Since the demise of plantation operations across the islands, we have seen the erosion of irrigation systems. Ditches that carried water fell into disrepair with major leaks in the system, and in cases such as Kau, cracks in tunnels created enough losses that there is no longer significant flow of water. The Legislature continues to advocate for increased self-sufficiency and sustainability. Agriculture must play a key role in the process and for there to be agriculture, water is important.

The Waiahole Irrigation System was built about 100 years ago and continues to be a critical infrastructure system that provides water to thousands of acres of prime agricultural lands in central Oahu. The central plains of Oahu are one of the most highly productive and diversified agricultural region in the State.

The State Agribusiness Development Corporation (ADC) recognized the importance of the system to the State's future sustainability and now owns and operates the Waiahole Irrigation system. Being that the system is aging and needs constant repairs and maintenance, additional funds will allow ADC to improve the irrigation system by adding more reservoirs that will increase storage capacity and a back-up well for emergency situations when and if the system is ever compromised during a natural disaster.

We appreciate the ADC's forward thinking approach to ensure the long term sustainability of agriculture in the central Oahu region. Farmers and their crops cannot afford to wait until there's a problem before trying to fix it.

Thank you for this opportunity to provide our opinion on this important matter.



HOUSE COMMITTEE ON FINANCE
Friday, February 23, 2018 – 12:00 PM - Room 308
Agenda #2

RE: HB 1976 HD1 - Relating to Irrigation – In Support

4 Ag Hawai'i

Hawai'i Aquaculture &
Aquaponics Association

Hawai'i Association of
Independent Schools

Hawai'i Cattlemen's Council

Hawai'i Farm Bureau
Federation

Hawai'i Farmers' Union
United

Hawai'i Food Industry
Association

Hawai'i Food
Manufacturers Association

Kohala Center

Malama Kaua'i

Maui School Garden
Network

Ulupono Initiative

Aloha Chair Luke, Vice Chair Cullen and Members of the Committee:

The Local Food Coalition is in strong support of HB 1976 HD1, which authorizes the issuance of general obligation bonds and appropriates funds to finance capital improvements to the Waiahole Irrigation System.

The Local Food Coalition is an organization comprising of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawai'i's food supply.

The Waiahole Irrigation System is vital for many agricultural operations in central Oahu. There is a need to reduce water loss, increase water storage and secure a backup well in case of a failure in the system.

We ask for your favorable consideration of this measure. Thank you for the opportunity to provide comments in support.

Lori Lum
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llum@wik.com

HB-1976-HD-1

Submitted on: 2/22/2018 11:11:18 AM

Testimony for FIN on 2/23/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

HB-1976-HD-1

Submitted on: 2/21/2018 5:30:30 PM

Testimony for FIN on 2/23/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sandlin	Hawaii Cattlemens Council	Support	No

Comments:

LATE

HB-1976-HD-1

Submitted on: 2/22/2018 10:01:37 PM

Testimony for FIN on 2/23/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Takemoto	Monsanto	Support	No

Comments:

LATE

HB-1976-HD-1

Submitted on: 2/22/2018 11:02:40 PM

Testimony for FIN on 2/23/2018 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Warren Watanabe	Maui County Farm Bureau	Support	No

Comments: