

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

**FEBRUARY 5, 2020
8:35 A.M.
CONFERENCE ROOM 312**

**HOUSE BILL NO. 2030
RELATING TO AGRICULTURE**

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2030. This measure makes an appropriation to fund 1 full-time equivalent (1.0 FTE) agricultural appraiser position within the Department of Agriculture. The Department strongly supports this measure.

A Real Property Appraiser position was added to the Agricultural Resource Management Division (ARMD) in 2012 Legislative session. Unfortunately, before the required reorganization could be addressed and the position filled, the position was deleted. The ARMD has an annual need of approximately fifty (50) appraisals per year, and the number is expected to grow as additional parcels are transferred into their inventory. Appraisals are required for rental re-openings, lease conversions, new leases, revocable permits, easement valuations, etc. The Department appreciates the recognition that this position is important and necessary for us to effectively address its mission to promote diversified agriculture.

Thank you for the opportunity to testify on this measure.



HB-2030

Submitted on: 2/3/2020 9:43:31 AM

Testimony for AGR on 2/5/2020 8:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nicole K Galase	Hawaii Cattlemen's Council	Support	No

Comments:

HB-2030

Submitted on: 2/3/2020 4:16:38 PM

Testimony for AGR on 2/5/2020 8:35:00 AM

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

Comments:



February 3, 2020

Representative Richard P. Creagan, Chair
Representative Lynn DeCoite, Vice Chair
House Committee on Agriculture

Testimony in Support of HB 2030, Relating to Agricultural Appraiser; Appropriation (Makes an appropriation to fund 1 full-time equivalent agricultural appraiser position within the Department of Agriculture [DOA].)

Wednesday, February 5, 2020, 8:35 a.m., in Conference Room 312

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 utility companies. One of LURF's missions 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 provide testimony in **support of HB 2030**, and to offer comments.

HB 2030. LURF understands that there is currently a dearth of agricultural appraisers in Hawaii and that there is presently no agricultural appraiser position within the DOA despite the Department's need to conduct approximately 50 agricultural appraisals each year, and the number is expected to increase as additional parcels continue to be transferred into the Department's charge. The retention or use of commercial appraisers is not suitable for DOA's purposes since commercial and residential land in Hawaii differ significantly from agricultural land, as do their values. The purpose and intent of this bill is therefore to appropriate funds for one full-time equivalent agricultural appraiser within the DOA.

LURF's Position. LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and whose business, operations and livelihoods rely on the determination of fair property valuations and lease rents that are appropriate for intended agricultural uses. These landowners and agricultural stakeholders believe HB 2030 will greatly

assist with appraisals required in connection with, amongst other things, new leases, lease conversions, rental re-openings, permits and easements.

This measure is consistent with the underlying intent and objectives of the IAL laws (Hawaii Revised Statutes, Sections 205-41 to 52), which were enacted to fulfill the mandate in Article XI, Section 3, of the Hawaii State Constitution, “to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.”

LURF therefore appreciates HB 2030, which will provide the DOA with a position which will help to support diversified agriculture and provide needed assistance to agriculture-related operations. By recognizing the significance of, and need to assist the local agriculture industry, and implement measures which help to support the growth and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture and food self-sufficiency in Hawaii.

As potential issues relating to and food safety and security continue to be a significant concern, LURF and its members appreciate this measure being taken to assist agricultural stakeholders.

For the reasons stated above, LURF is in **support of HB 2030**, and respectfully urges your favorable consideration of this bill.



EAST OAHU COUNTY FARM BUREAU
910 CALIFORNIA AVE., WAHIAWA, HI 96786

February 3, 2020

Representative Richard P. Creagan, Chair
Representative Lynn DeCoite, Vice Chair
House Committee on Agriculture
State Capitol, 415 S. Beretania St.
Honolulu, Hawai'i 96813

Dear Chair Creagan, Vice Chair DeCoite, and Members of the Committee,

The East O'ahu County Farm Bureau, which represents approximately 420 farmers and supporters of agriculture from Waimanalo to Kahuku, **strongly supports HB 2030**, "Relating to Agriculture," which would provide funds for the Agriculture Department to hire an agricultural appraiser. In the past, HDOA had an appraiser on staff, but due to budget cuts the position was lost.

HRS Sec. 166-11, regarding leases within agricultural parks, states that the board of agriculture shall "require the appraisal of the parcel to determine the fair market value." For leases of non-agricultural park land, HRS Sec. 166E-11 states that the board shall "require the appraisal of the parcel using standards of national appraiser organizations to determine the rental ..."

With no agricultural appraisers on staff and in the current absence of agricultural appraisers in Hawai'i, HDOA must instead use a commercial appraiser, whose experience is with commercial and residential properties rather than with farms. Commercial and residential properties in Hawai'i are extremely expensive, and their prices bear no relation to the value of land for agricultural production. Therefore, HDOA's appraisals are liable to result in proposed lease rents which are overly burdensome or even prohibitive for a farmer who relies on income from the farm for his or her livelihood. In order to ensure fair lease rents that are appropriate for the intended agricultural use, it is important that HDOA have access to an appraiser who is familiar with agricultural land values.

In addition, Act 151 (2019) sets goals for HDOA to increase local food production, including "developing guidance for decisions regarding land acquisition, irrigation, and agricultural infrastructure." Presumably an appraiser knowledgeable about the value of agricultural land and infrastructure would be a valuable asset to HDOA as the department attempts to achieve this goal.

We therefore respectfully request that your committee approve the appropriation proposed by HB 2030. Thank you for the opportunity to testify on this important matter.

Sincerely,

Frederick M. Mencher
for Grant Hamachi, President
East O'ahu County Farm Bureau



February 3, 2020

Rep. Richard P. Creagan, Chair
Rep. Lynn DeCoite, Vice Chair
House Committee on Agriculture
State Capitol, 415 S. Beretania St.
Honolulu, HI 96813

Re: HB2030 Relating to Agriculture

Dear Chair Creagan, Vice Chair DeCoite, and Committee Members

The Hawaii Aquaculture & Aquaponics Association (HAAA), with statewide membership, **strongly supports the intent of HB2030** which would restore an agricultural appraiser position under the Hawaii Department of Agriculture.

HDOA's former agricultural appraiser position was lost during the department's downsizing following the nation's 2008/2009 financial crisis and needs to be restored to enable the department of appropriately determine fair agricultural rents on HDOA leases and for the agricultural lands to be transferred from the Department of Land and Natural Resources. Agricultural rents are based on land quality, usable acreage, and agricultural comparables which are not in the public domain and are unfamiliar to commercial and residential appraisers.

We recommend the following amendments to this measure:

Page 1, SECTION 1, line 2 – [certified agricultural] accredited rural appraisers, also known as farm or agricultural appraisers, in Hawaii.

Page 1, SECTION 1, line 5, replace last word – [private] state

Page 1 SECTION 1, line 8, add before last word – rural or agricultural

Page 1, SECTION 2, line 13, add before last word – rural or agricultural

The HAAA respectfully requests your support of this important measure to help expand opportunities for farmers to obtain important investment capital and partnerships for their operations, and to allow farmers to construct and operate such agriculture-related infrastructure on HDOA-leased lands. Thank you for the opportunity to testify in strong support of HB2030.

Sincerely,

Ronald P. Weidenbach
HAAA President



HAWAII CROP IMPROVEMENT ASSOCIATION

Board of Directors 2018 - 2020

TESTIMONY FROM THE HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of HB2030 RELATING TO AGRICULTURE

President
Joshua Uyehara

House Committee on Agriculture
Wednesday, 02-05-20 8:35 am
House conference room 312

Vice-President
Warren Mayberry

Secretary
Dawn Bicoy

Chair Creagan, Vice-Chair DeCoite, and members of the committee:

Treasurer
Laurie Yoshida

The Hawaii Crop Improvement Association (HCIA) is in support of HB2030, which would provide operational funding for an agricultural appraiser within the Hawaii Department of Agriculture (HDOA).

Directors-at-Large
Alan Takemoto
Leslie Campaniano
Michelle Starke
Joshua Uyehara
Warren Mayberry

Currently, there are no certified agricultural appraisers in Hawaii. When appraisals of land values for leased agricultural lands are needed, HDOA uses an outside appraiser. Many commercial appraisers lack knowledge of, or access to, agricultural rents and valuations in Hawaii, which can result in appraisals valued at far higher than typical rents on private agricultural lands.

President Emeritus
Alan Takemoto

Care must be taken to select appraisers who can recommend rents that are appropriate to the proposed agricultural activity. For this reason, we support funding a qualified agricultural appraiser within the HDOA who has statewide agricultural knowledge and access to current agricultural comparable.

Please vote in support of HB2030. Mahalo for your time and consideration.

Respectfully,

Emmanuel Zibakalam, Program Director
Hawaii Crop Improvement Association

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.

