

**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  
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF THE DEPARTMENT OF AGRICULTURE  
BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT**

**MONDAY, FEBRUARY 3, 2020  
1:15 P.M.  
CONFERENCE ROOM 224**

**SENATE BILL NO. 2708  
RELATING TO AGRICULTURE ENTERPRISES**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2708 relating to agricultural enterprises. This bill establishes a new agricultural enterprise program within the Hawaii Department of Agriculture (Department), establishes positions, and makes an appropriation. The Department strongly supports this measure.

This bill is intended to allow agricultural enterprises on lands under the jurisdiction of the Department. The Department's Ag Park program and the Non-Ag Park program focus on actual, physical farming activity on the land. Limited ancillary activity is allowed only under very narrow conditions and circumstances. Moreover, strict eligibility requirements as a bonafide farmer must be met to hold any long-term lease under both programs. However, the agricultural industry must adapt to rapid developments in technology and methodology in agriculture and aquaculture in order to attain the food sustainability goals of the State. The Department needs flexibility in its disposition of public lands to support those changing conditions by allowing and encouraging the use of innovative agricultural models to optimize productivity, supporting and promoting agriculture through farmers markets, food hubs and



processing facilities, animal feed mills, etc., and enabling or providing agricultural educational training. The business of agriculture is far broader than simply the growing of an organism. This program recognizes that the business of agriculture is just as important to the growth of agriculture as the production of the crop itself.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the Senate Committee on  
AGRICULTURE AND ENVIRONMENT**

**Monday, February 3, 2020  
1:15PM  
State Capitol, Room 224**

**In consideration of  
SENATE BILL 2708  
RELATING TO AGRICULTURAL ENTERPRISES**

Senate Bill 2708 proposes to authorize the Department of Agriculture (DOA) to undertake a number of activities to promote agriculture and the development of infrastructure on lands under DOA jurisdiction, and establishes the agricultural enterprise program and a special fund for the program. **The Department of Land and Natural Resources (Department) offers the following comments on the measure.**

The Department recognizes the importance of providing DOA with the necessary tools to promote agriculture and develop infrastructure on the lands it manages. The Department notes that the measure additionally authorizes DOA to accept the transfer of any lands from the Department that will support an agricultural purpose and to operate or manage those resources. The measure goes on to define “agricultural activities” to include the “care and production of livestock; livestock products; poultry; poultry products; and apiary, horticultural, and floricultural products.”

Pursuant to Act 90 Session Laws of Hawaii 2003, now codified at Chapter 166E, Hawaii Revised Statutes (HRS), the Department has already transferred more than 18,000 acres of agricultural land to DOA, and additional transfers are in process – consisting of nearly all the agricultural crop land, such as former sugar cane land, held by the Department. The Department has generally excluded large-acre pasture leases from these transfers because of the high natural resource value of certain pasture lands which are remnant native forests which have never been plowed, with native and endangered plants and wildlife, their proximity to forest reserves, their potential for reforestation, and/or their importance in providing access to other public lands for management, hunting or public recreation purposes. But the lessees under these pasture leases have requested the Department to transfer their leases to DOA for management because DOA appears to have greater flexibility under Chapter 166E, HRS (as well as the present bill if it were to become law), to amend, extend, and issue new leases by negotiation

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

**ROBERT K. MASUDA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
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

The perceived need to transfer pasture leases to DOA can be relieved by providing the Department with statutory powers similar to those exercised by DOA in the management of its leases. Accordingly, the Administration has introduced a measure this Session (Senate Bill 2914 and House Bill 2358) to give the Department greater flexibility to deal with pasture leases. Positive advancement in carbon sequestration challenges, wildlife management, wildfire protection and forest health concerns can be best managed by the Department through mutually beneficial practices with ranching, wildlife protection, and native forest restoration. For these reasons, the Department respectfully requests the Legislatures support Senate Bill 2914 and House Bill 2358 to allow the pasture leases to remain under the Department's management.

Thank you for the opportunity to comment on this measure.

**SB-2708**

Submitted on: 1/28/2020 8:39:41 AM

Testimony for AEN on 2/3/2020 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nicole K Galase	Testifying for Hawaii Cattlemen's Council	Support	No

Comments:



January 28, 2020

Senator Mike Gabbard, Chair  
Senator Russell E. Ruderman, Vice Chair  
Senate Committee on Agriculture and Environment

**Testimony in Support of SB 2708, Relating to Agricultural Enterprises (Authorizes the Department of Agriculture [DOA] to plan, design, construct, operate, manage, maintain, repair, demolish and remove infrastructure on any lands under the jurisdiction of the DOA, to support and promote agriculture; establishes the Agricultural Enterprise Program and the Agricultural Enterprise Special Fund.)**

**Monday, February 3, 2020, 1:15 p.m., in Conference Room 224**

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 SB 2708**, and to offer comments.

**SB 2708.** The purpose and intent of this bill is to authorize the DOA or a lessee to plan, design, construct, operate, manage, maintain, repair, demolish and remove infrastructure or improvements on any lands over which the DOA has jurisdiction, to support and promote agriculture, and to accept from the Department of Land and Natural Resources the transfer of any lands that will support an agricultural purpose and to operate or manage those resources. This measure is also intended to promote and support diversified agriculture and increase agricultural self-sufficiency by establishing an agricultural enterprise program within the DOA, for the purpose of complying with the requirements of Article XI, Section 3, of the State Constitution.

**LURF's Position.** LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider programs such as that proposed by this bill critical to the conduct of their operations and to help sustain their businesses. These landowners and agricultural stakeholders believe SB 2708 will greatly assist with the establishment of such a program and the costs which must be incurred in connection with agricultural enterprises, projects and activities.

The purpose of this bill 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 the objective of SB 2708, which is to support diversified agriculture and provide needed assistance to agriculture-related operations. Passage of the long-awaited IAL legislation would be meaningless without implementation of such measures.

By recognizing the significance of, and need to assist the local agriculture industry, and implement incentives and 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 this Committee may already be aware, the unsustainable costs cast upon land owners and agricultural stakeholders by various safety and security standards, programs and regulations are another serious concern, as the enactment of onerous regulations relating to maintenance and operation of water systems, infrastructure, as well as growing and processing machinery and facilities are proving to be potentially counterproductive to the long-term objective of sustainable agriculture.

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 SB 2708**, and respectfully urges your favorable consideration of this bill.

**SB-2708**

Submitted on: 1/31/2020 11:20:56 AM

Testimony for AEN on 2/3/2020 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kathryn Ebata	Testifying for Hawaii Meats LLC	Support	Yes

Comments:

I, Bobby Farias, support this Bill and what it will allow for the DOA to offer the tenant of agriculture. We need this bill so the DOA can in real time help the lease holder with needs of the farm business. The current ag business needs many improvements and build outs that currently the DOA can't help facilitate. The DOA is in most cases the best understanding of the lease holder needs and how the improvements or changes to the current lease or property will enhance the sustainability of the business. SB 2708 will allow the opportunity for infrastructure build or modified to enhance the operation and help the tenant find profitability.





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

February 1, 2020

Senator Mike Gabbard, Chair  
Senator Russell E. Ruderman, Vice Chair  
Senate Committee on Agriculture and Environment  
State Capitol, 415 S. Beretania St.  
Honolulu, Hawai'i 96813

Dear Chair Gabbard, Vice Chair Ruderman, 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 SB 2708**, "Relating to Agricultural Enterprises," which would establish an agricultural enterprise program under HDOA.

Modern agriculture often requires infrastructure such as greenhouses, shade houses, drip irrigation lines, aquaculture tanks, and processing, packing, and storage facilities. Farmers need to satisfy increased food safety requirements, to conserve water, to reduce fertilizer input, and to protect their crops from pests and diseases while minimizing pesticide use – all while maintaining or increasing yield and quality in order to compete in the marketplace. Farmers, especially new farmers or small-to-medium-size operations, often cannot afford to pay for all the needed facilities. Compounding the problem, current HDOA rules restrict the percentage ownership that outside investors can hold in a farm leasing HDOA lands, making it difficult for farmers to raise funds to build and improve their farms.

SB 2708 would establish an agricultural enterprise program allowing HDOA and/or its lessees to build and maintain agricultural infrastructure on designated lands. Under this program, HDOA could enhance its lands' productive capacity by installing needed facilities, including processing, packing, storage, and distribution facilities that can serve many farms. In addition, the enterprise leases would be subject to different rules than current HDOA leases, allowing for greater private investment in the farms themselves. The enterprise program would strongly encourage the development of new farms and improvements to existing farms on the subject lands. We therefore respectfully urge your committee to support passage of SB 2708.

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



# HAWAII CROP IMPROVEMENT ASSOCIATION

## Board of Directors 2018 - 2020

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## TESTIMONY FROM THE HAWAII CROP IMPROVEMENT ASSOCIATION

### In Support of SB2708 RELATING TO AGRICULTURAL ENTERPRISES

Senate Committee on Agriculture and Environment  
Monday, 02-03-20 1:15PM  
Senate conference room 224

Chair Gabbard, Vice-Chair Ruderman, and members of the committee:

The Hawaii Crop Improvement Association (HCIA) is in support of SB2708, which would establish a new Agricultural Enterprise Program with the Department of Agriculture to plan, design, construct, operate, manage, maintain, repair, demolish and remove infrastructure on any land under the jurisdiction of the Department, to support and promote agriculture; establishes the agricultural enterprise program; establishes the Agricultural Enterprise Special Fund.

The success of small farmers is integral to meeting the state's food sustainability goals. As it is, small farmers often don't have access to processing, packing, storage and distribution, nor do they have the financial resources to construct these facilities. The proposed Agricultural Enterprise Program will go a long way toward helping small farmers optimize productivity, supporting and promoting agriculture through farmers markets, food hubs and processing facilities and enabling agricultural educational training.

Please support SB2708 to make agriculture more sustainable for local farmers. 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.*



February 2, 2020

Senator Mike Gabbard, Chair  
Senator Russell E. Ruderman, Vice Chair  
Senate Committee on Agriculture and Environment  
State Capitol, 415 S. Beretania St.  
Honolulu, HI 96813

Re: SB2708 Relating to Agricultural Enterprises

Dear Chair Gabbard, Vice Chair Ruderman, and Committee Members

The Hawaii Aquaculture & Aquaponics Association (HAAA), with statewide membership, **strongly supports the intent of SB2708** which would establish an agricultural enterprise program under the Hawaii Department of Agriculture.

This measure will help the HDOA or a lessee to plan, design, construct, operate, manage, maintain, repair, demolish, and remove infrastructure or improvements on any lands over which the department has jurisdiction, to support and promote agriculture, and to accept from the Department of Land and Natural Resources the transfer of any lands that will support an agricultural purpose and to operate or manage those resources.

An emerging trend in modern agriculture and aquaculture is controlled environment production, as well as on-site processing, cold storage, and value-added processing, to address environmental sustainability and consumer demands, and to maximize the production and revenue potential of small and mid-size farm operations. However, new and expanding small and mid-size farms typically do not have the financial means to pay for such facilities without entering outside partnerships or receiving outside investment. Current HDOA rules significantly limit such partnerships, investment, and controlled environment production and support infrastructure.

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 SB2708.

Sincerely,

Ronald P. Weidenbach  
HAAA President



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

February 3, 2020

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

**TESTIMONY ON SB 2708**  
RELATING TO AGRICULTURAL ENTERPRISES

Room 224  
1:15 PM

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

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 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 SB 2708** which would establish an enterprise program under the Hawaii Department of Agriculture.

This is a much-needed program that would boost Hawaii's agricultural production and success to the levels our state needs to become more self-sufficient. Our farmers need this assistance. Our communities need the results of this program.

With the passage of this bill, HDOA will be better able to support and promote agriculture through increased management and control of the lands under its jurisdiction. The bill will also support the management of agricultural lands mandated by this body to be transferred from the Department of Land and Natural Resources to HDOA.

Hawaii's agriculture needs assistance in becoming modernized. Controlled environment production, on-site processing, cold storage, and value-added processing will promote environmental sustainability and meet consumer demands. These types of operations are extremely costly and not within the budgets for new or expanding small and medium size farms. Outside investment or partnerships could work for our farmers but current HDOA rules significantly limit these opportunities.

Please support Hawaii's efforts to retain and grow its agricultural industry in order to provide our communities with the food and other products they need.

Thank you for the opportunity to support this important measure.



Email: [communications@ulupono.com](mailto:communications@ulupono.com)

SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT  
Monday, February 3, 2020 — 1:15 p.m. — Room 224

**Ulupono Initiative supports SB 2708, Relating to the Agricultural Enterprises.**

Dear Chair Gabbard and Members of the Committee:

My name is Amy Hennessey, and I am the Senior Vice President of Communications & External Affairs at Ulupono Initiative. We are a Hawai'i-based impact investment firm that strives to improve our community's quality of life by creating more locally produced food; increasing affordable clean renewable energy and transportation options; and better managing waste and fresh water resources.

**Ulupono supports SB 2708**, which authorizes the Department of Agriculture (DOA) to plan, design, construct, operate, manage, maintain, repair, demolish, and remove infrastructure on any lands under the jurisdiction of the department, to support and promote agriculture.

Ulupono supports the DOA's Enterprise Program, which provides additional infrastructure and services directly supporting local producers' post-harvest opportunities. Agricultural infrastructure such as the Kalaeloa harvesting facility, Honalo Marshalling yard, and the Kamuela Vacuum Cooling Plant is extremely important in providing crucial markets to agriculturalists statewide. The DOA's management of such a program is important to support the State's goals of food production.

Thank you for this opportunity to testify.

Respectfully,

Amy Hennessey, APR  
Senior Vice President, Communications & External Affairs

*Investing in a Sustainable Hawai'i*

**SB-2708**

Submitted on: 2/2/2020 4:20:18 PM

Testimony for AEN on 2/3/2020 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
J Ashman	Individual	Support	No

Comments:

This program is so needed to expand our ability to become more food self-sufficient. Please pass this measure this year. Thank you.

## **gabbard2 - Sydney**

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**From:** GLENN TOYAMA <gtoyama67@gmail.com>  
**Sent:** Friday, January 31, 2020 1:35 PM  
**To:** AEN Testimony  
**Subject:** I support SB2708

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Dear Chairman Gabbard,

Aloha Chair Gabbard, Vice-Chair Ruderman, and members of the committee,

I support SB2708, which authorizes the Department of Agriculture to plan, design, construct, operate, manage, maintain, repair, demolish, and remove infrastructure on any lands under the jurisdiction of the department, to support and promote agriculture. Establishes the agricultural enterprise program and the agricultural enterprise special fund.

This measure supports smaller-scale farming operations, particularly those in diversified agriculture, often do not have ready access to processing, packing, storage, and distribution facilities, and usually do not have the financial resources to construct these facilities. The agricultural enterprise program would allow HDOA or a lessee to "plan, design, construct, operate, manage, maintain, repair, demolish, and remove facilities" on designated lands; would allow the transfer of suitable land from DLNR to HDOA, and would provide funding and personnel to implement the program.

Thank you for the opportunity to submit testimony.

Mahalo!

Sincerely,

GLENN TOYAMA  
hobbies-retire  
PO Box 5  
Mountain View, HI 96771  
gtoyama67@gmail.com

**Multiple Testifier list for SB 2708**

Phil Becker  
Kim Kawahara  
Melvin Kunitake  
Domingo Loero  
Stephanie Iona  
Richard Ogoshi  
Corey Barth  
Ken Hirata  
Randy Cabral  
Glenn Toyama  
Randall Francisco  
Brian Watanabe  
Susan Cabral  
Marlene Jarvis  
Stephanie Whalen  
Robert Paull  
James Tavares  
Dean Pinner  
Alan Gottlieb  
Peter Boucher (LATE)  
Thema Black (LATE)