S.R. NO. 71

MAR 1 1 2021

## SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO CONSIDER AMENDING THE ELIGIBILITY QUALIFICATIONS AND LEASE TERMS FOR ITS AGRICULTURAL LOTS TO AID SMALL FARM BUSINESSES.

WHEREAS, Hawaii annually spends an estimated \$3,000,000,000 1 to import approximately ninety percent of its food and pays food 2 costs that are eighty-two percent higher than the national 3 4 average; and 5 WHEREAS, dependence on food imports threatens the 6 7 sustainability of food producers on the islands and places the entire population directly at risk of food shortages in the 8 9 event of pandemics, natural disasters, and economic disruptions: 10 and 11 12 WHEREAS, increasing local food production is essential for the future health and vitality of the State and despite the 13 State's natural resources and goals for increased local food 14 production, production has remained slow to develop; and 15 16 WHEREAS, Hawaii has the fifth highest projected percentage 17 (17.5 percent) of residents experiencing food insecurity and has 18 19 the tenth highest rate of projected child food insecurity (29.9 percent); and 20 21 22 WHEREAS, due to the coronavirus disease 2019 pandemic and 23 the resulting unprecedented rate of unemployment, between April and October 2020, there has been a fifteen percent increase in 24 the number of recipients of government assistance programs, like 25 26 the Supplemental Nutrition Assistance Program; and 27 28 WHEREAS, an increase in the production and sale of Hawaii-29 grown food would contribute to significant job creation and replacing ten percent of current food imports with locally grown 30 food would create a total of two thousand three hundred jobs and 31 could keep hundreds of millions of dollars circulating within 32 33 Hawaii's economy, stimulate growth, and create thousands of new 34 jobs, ensuring that Hawaii has stable food sources; and 35



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1 WHEREAS, Senate Concurrent Resolution No. 69, S.D. 1, 2 Regular Session 2014, established the Aloha+ Challenge which, in part, specified that local production is to double by 2030 with 3 4 a goal of twenty to thirty percent of food being grown locally; 5 and 6 7 WHEREAS, research has found that the State needs to be 8 growing at least fifty percent of its staple crops to be considered self-sufficient; and 9 10 WHEREAS, the State has many natural resources and vast 11 12 agricultural lands that lend themselves to increasing local food 13 production; and 14 WHEREAS, farmers have difficulty obtaining long-term leases 15 16 and reasonable lease rents because there is pressure on the use of important agricultural land for higher value purposes, 17 resulting in accelerated agricultural decline near urban areas 18 due to farmers' disinvestment in their farm operations in an 19 anticipation of development; and 20 21 22 WHEREAS, the agricultural parks program administered under the Department of Agriculture seeks to encourage the 23 24 continuation or initiation of agricultural operations and lands that are acquired, developed, and leased to farmers with the 25 objective of providing long-term tenured lands that are not 26 27 subject to reclassification or rezoning, further subdivision, 28 lack of monitoring of activities, or introduction of nonagricultural uses, available to small farmers at a reasonable 29 30 cost; and 31 32 WHEREAS, the agricultural parks program utilizes a thorough qualification process to ensure potential lessees will undertake 33 substantial activity and that most of the total annual income of 34 35 lessees comes from agricultural activities; and 36 37 WHEREAS, lease rents in agricultural parks are lower than privately owned lands; and 38 39 40

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WHEREAS, Act 90, Session Laws of Hawaii 2003, established 1 2 the non-agricultural park lands program to provide for the transfer of certain public lands from the Department of Land and 3 Natural Resources to the Department of Agriculture, in which the 4 lands are to be used for the purposes of article XI, section 10, 5 of the Hawaii State Constitution to develop farm and 6 7 homeownership on a widespread basis. The Board of Land and Natural Resources approved 5,186.843 acres for transfer and the 8 transfer for 4,072.783 acres have been completed; and 9 10 WHEREAS, the Agricultural Development Corporation is tasked 11 12 with protecting the future of agriculture by facilitating its transformation from a dual-crop economy of sugar and pineapple 13 to a multi-crop industry and is authorized to lease or sell its 14 lands to agricultural enterprises and farmers without having to 15 16 go through a public auction process; and 17 18 WHEREAS, the Department of Agriculture has a number of eligibility requirements that make it difficult for small 19 20 farmers to qualify and obtain leases for these agricultural lots; now, therefore, 21 22 23 BE IT RESOLVED by the Senate of the Thirty-first 24 Legislature of the State of Hawaii, Regular Session of 2021, 25 that the Department of Agriculture is requested to consider amending the eligibility qualifications and lease terms for 26 agricultural lots to aid small farm businesses; and 27 28 29 BE IT FURTHER RESOLVED that the Department of Agriculture is requested to consider different solutions to encourage more 30 affordable long-term leases including encouraging small farmers 31 32 to obtain financing for affordable long-term leases and allow 33 for public comment regarding the matter; and 34 35 BE IT FURTHER RESOLVED that the Department of Agriculture is requested to submit a report of its findings and 36 37 recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of 38 the Regular Session of 2022; and 39 40

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BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Chairperson of the Board of Agriculture.

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