



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
Thursday, April 1, 2021 at 9:30 a.m.

By
Nicholas Comerford, Dean
College of Tropical Agriculture and Human Resources
University of Hawai'i at Mānoa

HB 871 HD1 SD1 – RELATING TO AGRICULTURAL ENTERPRISES

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

Thank you for this opportunity to testify in strong support of HB 871 HD1 SD1 relating to agricultural enterprises.

Given the desire by the state government, state agencies, and University of Hawai'i at Mānoa (UHM), College of Tropical Agriculture and Human Resources (CTAHR) to increase all aspects of agriculture for the benefit of the residents of Hawai'i, the Hawai'i Department of Agriculture (HDOA) requires the ability and authority that is outlined in this bill.

HB 871 HD1 SD1 gives HDOA the ability and authority to accomplish its basic mission to “conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.”

UHM/CTAHR understands, through experience, that HDOA is critical to the agricultural future of the state of Hawai'i. It is tasked with diverse responsibilities and focuses on those responsibilities with limited manpower and monetary resources. HB 871 HD1 SD1 and its intent are fundamental to HDOA's mission.

Given the state's current economic situation, HB 871 HD1 SD1 will also be a mechanism for implementing the needed changes and management objectives with which HDOA is tasked.

Therefore, the University strongly supports the intent of this bill, but is aware of the current financial climate of the State of Hawai'i and realizes that state funding is reduced. For the next fiscal biennium, the University of Hawai'i Board of Regents approved a budget request for the University that was flat, and did not seek any increased funding to the University. UH defers to HDOA on their priorities.

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 PHYLLIS SHIMABUKURO-GEISER
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE
ON WAYS AND MEANS

APRIL 1, 2021
9:30 A.M.
VIA VIDEOCONFERENCE

HOUSE BILL NO. 871, HD1 SD1
RELATING TO AGRICULTURAL ENTERPRISES

Chairperson Dela Cruz and Members of the Committee:

Thank you for the opportunity to testify on House Bill 871, HD1 SD1 relating to agricultural enterprises. This bill establishes a new agricultural enterprise program within the Hawaii Department of Agriculture (Department), establishes the Agricultural Enterprise Special Fund, and requires annual reporting to the Legislature. The Department **strongly supports** this measure, provided this measure does not impact the Executive Budget.

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.

HB-871-SD-1

Submitted on: 3/26/2021 9:25:39 AM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald Weidenbach	Testifying for Hawaii Aquaculture & Aquaponics Association	Support	No

Comments:

HB871 HD1 SD1 is a detailed and carefully conceived measure to support the development, infrastructure and commercial operation of diversified agriculture farms, including aquaculture and aquaponics enterprises, on Hawaii Department of Agriculture lands. If we as a State are serious about diversifying our economy and improving local food production, food safety, and food security, then the passage of HB 871 HD1 SD1 is an important and necessary step to enable HDOA lands to developed and utilized for this fundamental economic purpose and to encourage and facilitate the continuation of farming in Hawaii. The Hawaii Aquaculture and Aquaponic Association (HAAA) strongly supports this measure.



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

March 26, 2021

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Senate Committee on Ways and Means
State Capitol, 415 S. Beretania St.
Honolulu, Hawai'i 96813

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, 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 871**, "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.

HB 871 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 HB 871.

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

LARRY JEFTS FARMS, LLC
PO BOX 27
KUNIA, HAWAII 96759
(808) 688-2892

HB871sd1, Agricultural Enterprises
Senate WAM Decision Making Hearing
Thursday, April 1, 2021 9:30am

Testimony By: Larry Jeffs
Position: Support

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Senate WAM Committee:

I am Larry Jeffs, owner and operator of Larry Jeffs Farms, LLC. We have more than 42 years of Hawaii farm experience on Molokai and Oahu. I am a volunteer director, serving as Chair of the West Oahu Soil and Water Conservation District (SWCD). I have been an officer of the Hawaii Farm Bureau for many years.

HB871sd1 establishes the Agricultural Enterprise Program and authorizes the HDOA greater flexibility to increase agricultural production growth on State lands. The pandemic has highlighted the need for support of Hawaii's diversified agriculture industry, to include all types of farm and ranch production.

Agriculture is much more than growing food. A successful farm or ranch must use modern technology to keep pace with processing, storage, value-added processing, distribution, and other infrastructure. The cost of these needed infrastructures is beyond the reach of many smaller-scale agriculturists.

The Agricultural Enterprise Program supports smaller-scale farmers and ranchers' access to these business infrastructures needs that they would otherwise not have the means for investment. It allows outside investment or partnerships to support these efforts, which are not within current HDOA rules.

Your support is urged for HB871sd1. It is a needed mechanism to provide Hawaii with increased food production and import foods replacement.

Thank you for the opportunity to provide testimony.



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

April 1, 2021

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON HB 871, HD1, SD1
RELATING TO AGRICULTURAL ENTERPRISES

Conference Room 211
9:30 AM

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, 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 supports HB 871, HD1, SD1, 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.

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-sized 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.



Food+ Policy Internship 2021

food@purplemaia.org

April 1, 2021

To: Senate WAM Committee

Subject: Testimony in SUPPORT of HB871: Relating to Agricultural Enterprises.

Aloha,

My name is Sydney Millerd, and I am writing on behalf of the Hawaii Food+ Policy Internship Program to express our collective **SUPPORT** for HB871: Relating to Agricultural Enterprises.

As students of the University of Hawaii - West Oahu's Sustainable Community Food Systems program, we understand the importance of supporting Hawaii's local farmers to better our food system to become a more sustainable and resilient one. Many smaller-scale farming operations, especially those in diversified agriculture, do not have the means and access to infrastructure and services that support them post-harvest. This can limit their output, and thus, they may struggle to survive as farmers. Further, a bill like this is needed to support them.

By supporting small-scale farmers, it can also help drive Hawaii towards our local food production & food security goals. Concurrently, when small-scale, local farmers are supported, they can produce more culturally appropriate and nutritious foods for Hawaii's people. In addition, when more local foods are produced we can reduce our carbon footprint that comes with our reliance on imported foods.

Moreover, please help support our local farmers, and in turn, the rest of Hawaii.

Thank you for this opportunity to submit testimony.

Mahalo,

Sydney Millerd & the Food+ Interns

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2021, the pilot cohort of interns are juniors, seniors, and recent graduates of the University of Hawai'i West O'ahu's Sustainable Community Food Systems program. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, and Hawaiian culture.



Hawaii Cattlemen's Council, Inc.

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

HB871 HD1 SD1

Relating to agricultural enterprises

Thursday, April 1, 2021, 9:30 a.m.

VIA Video Conference

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee,

The Hawaii Cattlemen's Council **supports HB871** HD1 SDA to establish the agricultural enterprise program. Smaller farming and ranching operations do not have the capacity or access to processing, packaging, storing, and distribution facilities. Funding and support is needed for the Department of Agriculture to implement this program that will assist our farmers and ranchers to get access to the facilities they need to continue to operate.

The COVID pandemic has highlighted the need to support local farmers and ranchers and to streamline and bolster steps along the supply chain. Thank you for the opportunity to testify on this matter.

Nicole Galase
Hawaii Cattlemen's Council
Managing Director



Hawaii Cattlemen's Council

Position Statement on Local Beef Production

One of the core strengths of any society lies in its ability to be self-sufficient, to feed itself. Hawaii's beef producers are committed to providing wholesome food for its community that is safe, secure and sustainable.

For most of its existence, Hawaii's beef industry has followed a conventional model with production, harvest and processing occurring within state. In the early 1990's, a combination of rising costs and inefficiencies led Hawaii producers to shift to an export calf model which remains dominant today. However, with increasing consumer demand for locally sourced food, there is renewed focus on expanding local beef production. Several private labels have emerged over the last 10 years, raising the flavor and tenderness profile for local beef, further driving demand. The groundwork for expansion has been set.

In recent years, Hawaii Cattlemen's Council (HCC) and the Hawaii Department of Agriculture (HDOA) recognized limited harvest capacities as one of the primary constraints for expanding local beef production. It has been HCC's position that each island should have access to a full complement of harvest and processing facilities. The economic benefit of efficiencies achieved with consolidation should be balanced with the unique challenges Hawaii's beef industry faces. These include;

- the vulnerability of interisland transportation of perishable goods and/or live animals as it relates to;
 - food security and safety, animal welfare, affordable shipping rates, labor disputes and equipment failure
- the need to develop and maintain a diversified economic base and skilled labor force on outer islands
- limited competitive markets
- quasi-public responsibility of state-owned food processing facilities

Among other things previously identified (see attached, "A Livestock Harvest Facility for Hawaii"), the ideal model should address;

- Flexible marketing – direct sale vs retained ownership
- Increased capacity/access for all producers to harvest, process and market
- Growth of market share through "coopetition" vs direct competition
- Compliance with regulatory planning concepts and concerns, especially as related to environmental issues
- Preservation of the integrity of locally labeled beef
- Opportunity to expand locally branded products

Our producers continue to provide high-quality grass-fed beef year-round, which serves a loyal, sustainability-minded customer base that increasingly want to know where their food comes

from. HCC supports a business model that facilitates infrastructure that allows each island to maintain autonomy over its beef production from gate to plate.

A Livestock Harvest Facility for the State of Hawaii Hawaii Cattlemen's Council



Senate Bill 1257 provides \$1.5M for the planning and design of a livestock harvest facility within the state of Hawaii. This is an ambitious initiative that represents our strong belief in the future of our industry and our commitment to building infrastructure that will help grow and expand our local markets.

Our critical need for this project is based on the following;

- a. increased consumer demand for local beef
- b. increased market demand created by expanding programs, such as our schools' Aina Pono initiative
- c. availability for producers' strategic culling programs
- d. security for animal welfare in the face of disease or drought

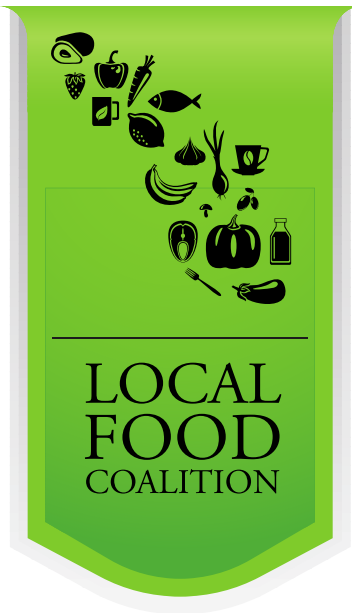
The Request for Proposal (RFP) for planning and design should include the following key components and deliverables from firms who will respond;

1. An analysis of a viable business/feasibility plan that addresses expected throughput, revenues, expenses and return on investment related to the operation of a new facility. Our initial recommendation for Hawaii Island is for a 5,000 head capacity that can be expanded to 10,000 head/year. This will be varied island by island. We see this information as critical to attracting capital to our state and industry.
2. Schematics and drawings of the layout of a new facility that can be adapted to meet different environmental conditions for each island and can scale up or down to meet production needs.
3. Analysis and review of technologies to support the remote locations and sensitive environments in which this facility will operate.

4. Review of the following key features of the facility itself. These features will ensure that the proposed model will meet our goal of creating a facility that serves the sustainability needs of our industry addressed through these economic, social and environmental considerations.

Economic	<ul style="list-style-type: none"> • Capacity (target steady state, initial, and ramp up) • Scalable/modular • Marketing partner • Added value/processing • Certification for specialty markets – i.e. export, BRC, GFSI • Management expertise • Transportation costs • Flexible marketing – direct sale vs retained ownership • Innovation and technology • Useful life • Potential for multi-species use • Scope of facility—slaughter, processing, and further processing capabilities • Value Added Products and Processing
Social	<ul style="list-style-type: none"> • Food safety • Worker safety • Animal well-being • Employee engagement • Central location • Affordable housing
Environmental	<ul style="list-style-type: none"> • Renewable energy • Waste disposal - bio digester • Water resources and requirements • Critical path for permits • Environmental Impact Statement • Air emissions/odor • Proximity to existing infrastructure and need for establishment of new connections to electrical, water, wastewater, and roadways.

HCC believes our industry and agriculture as a whole are at a critical crossroads. There is a great deal to be optimistic about including consumer demand for more locally sourced food, public officials who have declared a commitment to improve Hawaii’s food security, an advocate in our HDOA administration who believe in the need for Hawaii’s agriculture to thrive and people within the ranching community with the will to move our industry forward. These things combine to create powerful synergy to keep our industry and agriculture a vibrant and relevant part of our state’s economy and landscape. This project is the result of that synergy and a real, tangible move forward for the beef industry.



Hawai'i Aquaculture & Aquaponics Association
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
Land Use Research Foundation of Hawai'i
Maui Farm to School Network (Maui F2SN)
Ulupono Initiative
College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa

SENATE COMMITTEE ON WAYS AND MEANS
April 1, 2021 – 9:30 A.M. – Via Videoconference

**RE: HB 871 HD1 SD1 - Relating to Agricultural Enterprises –
In Support**

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee:

The Local Food Coalition **supports** HB 871 HD1 SD1, 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; establishes the agricultural enterprise program; establishes the Agricultural Enterprise Special Fund; and requires the Board of Agriculture to annually report an accounting of non-agricultural park lessees to the Legislature.

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 DOA or a lessee to "plan, design, construct, operate, manage, maintain, repair, demolish, and remove facilities" on designated lands; would allow transfer of suitable land from DLNR to DOA; and would provide funding and personnel to implement the program. Hawaii's agriculture industry needs assistance in becoming modernized. These types of operations are extremely costly and not within the budgets for new or expanding small and medium sized farms. Outside investment or partnerships could work for our farmers but current DOA rules significantly limit these opportunities.

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

We respectfully request your support of HB 871 HD1 SD1. Thank you for the opportunity to submit testimony.

John Garibaldi
808-544-8319
igaribaldi@wik.com



March 26, 2021

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Senate Committee on Ways and Means

Testimony in Support of HB 871, H.D.1, S.D.1, 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; and requires the Board of Agriculture to annually report an accounting of non-agricultural park lessees to the Legislature; effective 1/1/2050.)

Thursday, April 1, 2021, at 9:30 a.m.; Conference Room 211 & Videoconference

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 871, H.D.1, S.D.1**, and to offer comments.

HB 871, H.D.1, S.D.1. The purpose and intent of this bill is to authorize the DOA or its lessees to plan, design, construct, operate, manage, maintain, repair, demolish and remove infrastructure or improvements on any lands over which the DOA has jurisdiction where the activity is necessary to support and promote agriculture; accept from the Department of Land and Natural Resources the transfer of any lands that will serve an agricultural purpose; and efficiently 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, which is found by the Legislature to be in the State's best interests and helps to meet State constitutional requirements.

LURF's Position. LURF members include private property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider programs and incentives 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 HB 871, H.D.1, S.D.1 will greatly assist with launching such incentives and with the unaffordable costs which must be incurred in connection with agricultural enterprises, projects, and activities. Creation of the Agricultural Enterprise Program will also expressly allow for ancillary and other activities that support the economic viability and success of the local agricultural industry.

As this Committee is aware, the unsustainable costs which have already been cast upon agricultural stakeholders over the past years by various safety and security standards, programs and regulations, as well as the enactment of onerous regulations relating to water systems, infrastructure, and growing and processing machinery and facilities, are now greatly exacerbated by the COVID-19 pandemic, proving to be overwhelming, if not devastating to the agricultural industry as well as the State's long-term objective of sustainable agriculture.

The purpose of this bill is consistent with the underlying intent and objectives of the Important Agricultural Lands (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 lauds the objective of HB 871, H.D.1, S.D.1, which is to support diversified agriculture; provide needed assistance to agriculture-related operations; and to expand Hawaii's agricultural industry. 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 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 871, H.D.1, S.D.1** and respectfully urges your favorable consideration of this bill.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Thursday, April 1, 2021 — 9:30 a.m.

Ulupono Initiative supports HB 871 HD 1 SD 1, Relating to the Agricultural Enterprises.

Dear Chair Dela Cruz and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food; renewable energy and clean transportation; and better management of freshwater and waste.

Ulupono supports HB 871 HD 1 SD 1, 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 are 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 on food production.

We recognize that you face many difficult decisions this year to balance the budget in the midst of this economic crisis, but we hope that this support for local agriculture can be considered.

Thank you for this opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

Investing in a Sustainable Hawai'i



Testimony of Daimon Hudson
Director of Global Expansion, Kalera, Inc.

Before the
Senate Committee on Ways and Means
April 1, 2021 - 9:30 a.m.
Video Conference

In consideration of
House Bill No. 871 HD1 SD1
RELATING TO AGRICULTURAL ENTERPRISES

Chair Dela Cruz, Vice Chair Keith-Agaran, and committee members:

Thank you for the opportunity to provide comments in **Strong Support** for House Bill 871 HD1 SD1 which would authorize the Department of Agriculture to plan, design, construct, operate, manage, maintain, repair, demolish, and remove infrastructure on any agricultural lands to support and promote agriculture. The bill will also establish the agricultural enterprise program.

Over the years, the Governor has stressed the importance of food sustainability through his Sustainable Hawaii Initiative. The legislature has also supported these efforts with various programs that would help reduce Hawaii's reliance on agricultural imports.

Due to Hawaii's leaders putting an emphasis on local food production, Kalera has started its Hawaii expansion and would like to use Hawaii as the hub for its Asia-Pacific operations. Kalera uses technology to ensure more people across the globe have access to the freshest, most nutritious and cleanest produce on the planet. The company's cutting-edge hydroponic production facilities have been designed for rapid rollout and grow vegetables faster, cleaner, at a lower cost, and with less environmental impact.

Currently, the Department of Agriculture's statutory authority allows for the production of crops and organisms on Department of Agriculture lands. However, the statute does not explicitly allow ancillary and other activities that would support agriculture. HB871 will give the Department of Agriculture greater flexibility on agricultural leases to help develop economic viability and further ensure success of agriculture across the islands.

We appreciate your attention on the matter and will be available to answer any questions.

Respectfully submitted,

Daimon Hudgson
Director of Global Expansion
Kalera

Kalera, Inc.
8440 Tradeport Dr., Suite 102
Orlando, FL 32827



HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of HB871 HD1 SD1
Relating to Agricultural Enterprises

Senate Committee on Ways and Means

LATE

Date: Thursday, April 1, 2021
Time: 9:30 a.m.
Place: Via Video Conference
Conference Room 211

Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee:

Thank you for allowing the Hawaii Crop Improvement Association the opportunity to provide testimony in support of HB871 HD1 SD1 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; establishes the Agricultural Enterprise Special Fund; and requires the Board of Agriculture to annually report an accounting of non-agricultural park lessees to the Legislature.

The success of farmers is integral to meeting the State's food sustainability goals. As it is, many farmers 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 help farmers optimize productivity, support and promote agriculture through farmers markets, food hubs, and processing facilities, and enable agricultural educational training. These types of operations are extremely costly and not within the budgets for most local farmers. Outside investment, and/or partnerships, could work for farmers but current HDOA rules limit these opportunities.

We respectfully request your support for HB871 HD1 SD1 to make agriculture more sustainable for Hawaii's farmers. If you have any questions, please contact me at your convenience. Mahalo for your time and consideration.

Sincerely,

Emmanuel Zibakalam

Executive 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.



Dr. Cindy Goldstein, PhD
Ag Matters, LLC
98-814 C Kaonohi Street
Aiea, HI 96701
agmatters@hawaii.rr.com

HB871_HD_SD1 Rural Enterprises/ Enterprise Special Fund
Senate Committee on Ways and Means
Thursday, April 1, 2021, at 9:30 am.

Position: **Support**

Chair Senator Donovan Dela Cruz, Vice Chair Senator Keith-Agaran, and members of the Senate Ways and Means committee,

My name is Cindy Goldstein, and I am in support of HB871_HD1_SD1 because it provides additional opportunities for the many small farmers across the state of Hawaii and will encourage additional diversified agriculture.

Diversified agriculture will benefit from the agricultural enterprise program, allowing HDOA or a lessee to plan, design, construct, operate, manage, maintain, repair, demolish, and remove facilities on designated lands. The majority of Hawaii agriculture is carried out by small farms with limited financial resources. HB871_HD1 recognizes the need to support the many smaller-scale farming operations in Hawaii.

HB871_HD1_SD1 recognizes the need for expanded availability of suitable land for Hawaii's farmers. Authorizing the Hawaii Department of Agriculture to oversee the proposed planning and improvements on any lands under the jurisdiction of HDOA provides the appropriate expertise to support statewide agriculture.

HB871_HD1_SD1 also establishes the agricultural enterprise program and the agricultural enterprise special fund. These programs have the potential to directly benefit Hawaii's farmers.

Mahalo for hearing this bill and the opportunity to provide testimony to your Ways and Means Committee in support of HB871_HD1_SD1 .

HB-871-SD-1

Submitted on: 3/29/2021 11:11:27 AM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John D. Smith	Individual	Support	No

Comments:

I support

HB-871-SD-1

Submitted on: 3/30/2021 2:39:01 PM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Randy Cabral	Individual	Support	No

Comments:

Strongly support

HB-871-SD-1

Submitted on: 3/30/2021 6:28:51 PM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Phillipson	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee,

I support HB 871 HD1 SD1, 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. HB 871 HD1 SD1 also 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.

Mahalo,

Mark Phillipson

HB-871-SD-1

Submitted on: 3/30/2021 7:28:25 PM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dawn Bicoy	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee,

I support HB 871 HD1 SD1, 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. HB 871 HD1 SD1 also establishes the agricultural enterprise program and the agricultural enterprise special fund.

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Mahalo for your time and consideration,

Dawn Bicoy

Dear Chair Dela Cruz and Members of the Committee:

Aloha, my name is Jayci Gomes. My kūpuna were kalo farmers and have always battled the state for land and water access rights. Sometimes we lost those battles but our need for our own lo‘i or home garden continued. Our love for our land and our innate need to mālama it will never leave this conversation. I come from the ahupua‘a of Wailuku in Maui. In Maui, we are constantly trying to survive and balance our lives between development and foreign influence. Foreign influence and our advancement/progression do not go hand in hand in hand. Our ability to develop, become more advanced, and self-sustaining is kuleana, or responsibility, that we have always taken on for ourselves. However, the ability for our existing agricultural operations have not been in line with the needs of our small, local, and state-level agricultural needs. It is with great pleasure that I write to you all today in **support of HB871 HS1 SD1**.

I support HB871 HS1 SD1 because with this bill, the Department of Agriculture would have the authority to plan, design, construct, operate and manage. In addition, maintain, repair, demolish, and remove infrastructure on any lands under the jurisdiction of the department. These authorities will support and promote agriculture. On another hand, the bill allowed for the department to establish an agriculture Enterprise program and the agriculture Enterprise special fund. This bill requires the board of Agriculture to annually report an accounting of non-agricultural Park leases to the legislator. It allows for self-governing and self-sufficient empowerment while still enforcing accountability.

I support this because it helps agriculture become more modernized and it supports local farmers on all scales. Local farmers deserve support in diversifying their farming operations. All in all, this bill puts the power in the hands of the trusted Department of Agriculture and calls for support and accountability. This will support Hawai‘i’s local food production goals.

To say you “Support Local,” is beginning to look like a completely different conversation as we begin to understand who and what “Local,” and “Small,” businesses are. I have a home garden that was started up and supported by some Huli (Kalo) drives organized by small farmers that partner with the Department of Agriculture, etc. The ball is already rolling in supporting our communities become self-sustaining and gaining glimpses of what our “local food production goals,” look like for our communities. Again, **I support of HB871 HS1 SD1**.

Mahalo for your time and consideration,

Jayci Gomes
Community Member, Maui
jmagomes@hawaii.edu

HB-871-SD-1

Submitted on: 3/31/2021 9:21:58 AM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kalani Kauhane	Individual	Support	No

Comments:

Please pass this bill to help our struggling farmers.

HB-871-SD-1

Submitted on: 3/31/2021 9:29:16 AM

Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
J Ashman	Individual	Support	No

Comments:

Because many farming operations don't have adequate resources to expand or maximize their productivity, this bill is very much needed. Please pass the bill to provide the Department of Agriculture flexibility to increase agricultural educational training, farmers' markets, and food hubs and processing facilities on state agricultural lands to promote and support diversified agriculture and ensure agricultural sustainability. Thank you.

LATE

HB-871-SD-1

Submitted on: 3/31/2021 10:42:13 AM
Testimony for WAM on 4/1/2021 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeri Moniz	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, and members of the committee,

I support HB 871 HD1 SD1, 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. HB 871 HD1 SD1 also establishes the agricultural enterprise program and the agricultural enterprise special fund.

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Mahalo, Jeri Moniz