



GOV. MSG. NO. 1387

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 12, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

I am transmitting herewith HB1705 HD1 SD1, without my approval and with the statement of objections relating to the measure.

HB1705 HD1 SD1

RELATING TO AGRICULTURAL PARK LEASES.

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

EXECUTIVE CHAMBERS
HONOLULU
July 12, 2022

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 1705

Honorable Members
Thirty-First Legislature
State of Hawai'i

Pursuant to Section 16 of Article III of the Constitution of the State of Hawai'i, I am returning herewith, without my approval, House Bill No. 1705, entitled "A Bill for an Act Relating to Agricultural Park Leases."

The purpose of this bill is to authorize the Department of Agriculture to extend the term of an agricultural park lease with a remaining term of fifteen years or less for an additional thirty years, provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than 500,000.

This bill is objectionable because it would significantly diminish one of the main purposes of the agricultural park program, which is to make affordable agricultural lands suitable for farming available to new farmers and other small farm operations to assist them in becoming commercially established. The existing maximum lease term incentivizes established farmers to expand their operations to larger properties and supports the growth of new farmers by making affordable lots available for lease. There are currently 243 interested farmers seeking to lease the State's limited agricultural park lands. The lease extension provided by this bill could potentially allow current lessees to remain on the land indefinitely through unlimited extensions in thirty-year increments, precluding others from having a fair opportunity to seek and enjoy this public benefit.

STATEMENT OF OBJECTIONS
HOUSE BILL NO. 1705
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For the foregoing reasons, I am returning House Bill No. 1705
without my approval.

Respectfully,

A handwritten signature in black ink, appearing to read "David Y. Ige". The signature is fluid and cursive, with a large, sweeping "Y" and a stylized "Ige" at the end.

DAVID Y. IGE
Governor of Hawai'i

A BILL FOR AN ACT

RELATING TO AGRICULTURAL PARK LEASES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 166-11, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~{}~~**\$166-11**~~{}~~ **Lease negotiation.** (a) The department of
4 agriculture may negotiate and enter into leases with any person
5 who:

6 (1) As of July 1, 1996, holds a revocable permit for
7 agricultural purposes; or

8 (2) Has formerly held an agricultural lease which expired
9 within the last ten years preceding July 1, 1996, and
10 has continued to occupy the state land; and

11 (3) Does not own agriculturally-zoned land of twenty-five
12 acres or more in the State, individually or jointly
13 with a spouse, or whose spouse does not own twenty-
14 five acres or more of agriculturally-zoned land in the
15 State.

16 (b) The land eligible for lease negotiations under this
17 section are limited to those lands:



- 1 (1) Zoned and used for agricultural purposes;
- 2 (2) Set aside by governor's executive order to the
- 3 department of agriculture for agricultural uses only;
- 4 and
- 5 (3) Not needed by any state or county agency for any other
- 6 public purpose.
- 7 (c) In negotiating and executing a lease as authorized,
- 8 the board of agriculture shall:
- 9 (1) Require the appraisal of the parcel to determine the
- 10 fair market value;
- 11 (2) Require the payment of annual lease rent based on the
- 12 fair market value established by appraisal;
- 13 (3) Require the payment of a premium, computed at twenty-
- 14 five per cent of the annual lease rent, with the
- 15 premium to be added to the annual lease rent for each
- 16 year of the lease equal to the number of years the
- 17 lessee has occupied the land, except that the premium
- 18 period shall not exceed four years; and
- 19 (4) Recover from the lessee the costs of expenditures
- 20 required by the department to convert the parcel into
- 21 leasehold.



1 Within six months from July 1, 1996, the department shall
2 notify in writing the permittees of lands eligible for lease
3 negotiations under this section and shall inform the permittees
4 of the terms, conditions, and restrictions provided by this
5 section. Any permittee may apply for a lease; provided that the
6 application shall be submitted to the department in writing
7 within thirty days from the date of receipt of notification;
8 provided further that the department may require documentary
9 proof from any applicant to determine that the applicant meets
10 eligibility and qualification requirements for a lease as
11 specified by this section.

12 (d) Notwithstanding any other law to the contrary, if any
13 lessee holds a lease having a remaining term of fifteen years or
14 less, the department may extend the term of the lease for an
15 additional thirty years; provided that the land covered by the
16 lease is:

17 (1) Twenty-five acres or less; and

18 (2) Located in a county with a population of less than
19 five hundred thousand."

20 SECTION 2. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect upon its approval.

APPROVED this day of , 2022

GOVERNOR OF THE STATE OF HAWAII



HB No. 1705, HD 1, SD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.



Scott K. Saiki
Speaker
House of Representatives





Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI‘I

Date: April 8, 2022
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate
of the Thirty-First Legislature of the State of Hawai‘i, Regular Session of 2022.


President of the Senate


Clerk of the Senate