

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS 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 HOUSE COMMITTEE ON FINANCE

FEBRUARY 23, 2022
2:30 P.M.
VIA VIDEOCONFERENCE

HOUSE BILL NO. 1705 HD1
RELATING TO AGRICULTURAL PARK LEASES

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1705, HD1, which allows the Department of Agriculture (HDOA) to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less, 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 five hundred thousand. The Department respectfully opposes this measure.

HDOA appreciates the plight of lessees nearing the termination dates of their lease, however, we must also consider the public policy against allowing individual private interests to exclusively occupy, use and benefit from public lands for durations exceeding statutory limits or indefinitely, to provide other members of the public a fair and equal opportunity to seek that public benefit. Maximizing the opportunity to lease public lands under favorable conditions to the greatest number of applicants supports the growth of new farmers and incentivizes established farming operations with proven agricultural capabilities and economic viability to scale up and expand their operations on to other properties as part of their business growth strategy. HDOA understands and



appreciates the intent of this bill to support and encourage the ongoing viability of agricultural operations, often referred to as “legacy farms,” to continue without disruption to maximize the uninterrupted local production of agricultural goods and food.

Unfortunately, there is a pressing need to increase the number of farmers statewide to realistically achieve the level of farming necessary to meet the State’s goals for food security and sustainability. The single most insurmountable hurdle for most new and beginning farmers seeking to start a farm is the lack of available, appropriately sized, and affordably priced agricultural lands suitable for farming. Our lands are among the most affordable in the State for agricultural use, making it ideal for incubator and start-up operations.

Without a clear maximum term established by statute, the lease extension provided by the bill could potentially allow lessees to effectively remain on the land indefinitely, through consecutive extensions and preclude others from the same opportunity to lease public lands. There is nothing preventing a current lessee from applying for a new lease upon expiration of the current one. The HDOA maintains a list of interested farmers seeking to lease Department managed state lands and this list is culled every two years. There are currently 243 people on this list, which indicates the level of interest in our lands. Potential lessees in this program know upfront that their use of the land cannot exceed fifty-five years. We encourage lessees to plan ahead for the change and seek alternate lands to continue growing their farming operations, as may be necessary, appropriate, or desired.

Thank you for the opportunity to testify.

HB-1705-HD-1

Submitted on: 2/22/2022 1:20:52 PM

Testimony for FIN on 2/23/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Brian Kau	Dept of Ag, Agricultural Resource Management Division	Oppose	Yes

Comments:

I'll be available for questions, if necessary.



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

February 23, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1705, HD1
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 309 & Videoconference
2:30 PM

Aloha Chair Luke, Vice-Chair Yamashita, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 1705, HD1, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; 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 five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. HDOA leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.



HOUSE OF REPRESENTATIVES
THE THIRTY-FIRST LEGISLATURE
REGULAR SESSION OF 2022

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair
Rep. Kyle T. Yamashita, Vice Chair

Wednesday, February 23, 2022 2:30 p.m.
VIA VIDEOCONFERENCE
Conference Room 308
State Capitol
415 South Beretania Street

HB1705 HD1: RELATING TO AGRICULTURAL LEASES: Allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; 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 five hundred thousand.

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 300 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

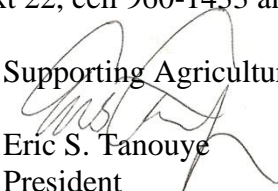
The Hawaii Floriculture and Nursery Association (HFNA) **SUPPORTS HB 1705 HD1**

It is important for Nurserymen and women to have the peace of mind that is associated with a renewal of their lease, so that they may continue to farm. We believe the Department of Agriculture has the relevant knowledge to understand what leases for small farms should be extended.

We ask that you support our industry and agriculture, so that we may continue to bring the beauty of Hawaii to others through flowers and ornamentals.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 22, cell 960-1433 and email eric@greenpointnursery.com.

Supporting Agriculture and Hawaii,


Eric S. Tanouye
President

Hawaii Floriculture and Nursery Association



February 18, 2022

Representative Sylvia Luke, Chair
Representative Kyle T. Yamashita, Vice Chair
House Committee on Finance

Testimony in Support of the Intent of HB 1705, H.D. 1, Relating to Agricultural Park Leases (Allows the Department of Agriculture [DOA] to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; 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 five hundred thousand.)

Wednesday, February 23, 2022, 2:30 p.m.; Conference Room 308 Via 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. LURF's mission 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 express its **support of the intent of HB 1705, H.D. 1** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

HB 1705, H.D. 1. The purpose of this bill is to allow the DOA to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; 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 five hundred thousand.

LURF's Position. LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future. Agricultural production in Hawaii is reliant upon and furthered by the leasing of public lands, which makes it feasible for agricultural stakeholders to successfully fulfill the food production needs of the State.

LURF supports the intent of HB 1705, H.D. 1 because the measure makes a significant effort to advance and facilitate the leasing of agricultural lands. LURF believes, however, that the provision in this measure limiting its application to leased lands of 25-acres or less should be deleted and the restriction amended to instead allow extensions to all lessees that are in good standing.

LURF therefore proposes the following amendment to this bill:

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

(1) ~~Twenty-five acres or less~~ In good standing; and

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

By recognizing the significance of all agricultural lessees that safeguard their leased lands and uphold their leases in good standing, and by identifying the need to assist the local agriculture industry and implement measures which help to support the viability and maintenance of agriculture in the State, the intent of this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports the intent of HB 1705, H.D. 1**, and respectfully urges your favorable consideration of this measure and any necessary amendments thereto consistent with these comments.

Thank you for the opportunity to present testimony regarding this matter.

HB-1705-HD-1

Submitted on: 2/22/2022 11:21:49 AM

Testimony for FIN on 2/23/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
David Shiigi	Bromeliads Hawaii, LLC	Support	No

Comments:

Thank you for the opportunity to submit testimony in support of HB 1705, Introduced by Representative Chris Todd.

We implore your committee to support and pass this all important bill that will protect Hawaii's agriculture industry. It will ensure our established family owned operations will be passed onto the next generation to sustain continuity and production in Hawaii's agriculture. A major concern is that approximately 90% of established lessee's leases will expire in 15 years or less. My daughter is the next generation in the agriculture nursery business. She has continued opening up new local and mainland markets and expanding to an international customer base. My son is also starting out in the business with expansion in our production which is a crucial component to the success of our business.

Please support HB 1705.

HB-1705-HD-1

Submitted on: 2/22/2022 11:23:15 AM

Testimony for FIN on 2/23/2022 2:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Henry & Loraine Terada	Individual	Support	No

Comments:

We have been Anthurium cut flower farmers in Kurtistown since 1980 and were grateful to be awarded a lot in the Panaewa Agricultural Park in Hilo. This location has been very profitable for our cut anthurium farm and will continue to produce our beautiful anthuriums which are shipped all over the world.

Please support HB1705 to extend our lease for an additional 30 years and keep agriculture viable in our Agricultural Parks throughout Hawaii.

LATE

February 22, 2022

TO: House Committee on Finance
FROM: David R. Shiigi, Owner of Bromeliads Hawaii, LLC
RE: HB 1705 – Testimony Relating to: Extension of Agricultural Park Leases-
Introduced
by Hawaii State House of Representative Chris Todd

Thank you for the opportunity to submit testimony in support of HB 1705.

If HDOA, as quoted in their previous testimonies, appreciates our plight as lessees nearing the termination dates of our leases, then why can't they support HB 1705 and allow our leases to be extended? If as they say there is a pressing need to increase the number of farmers statewide, then why can't HDOA satisfy that need by utilizing and opening up the lands that are not being used to those 243 interested farmers statewide?

Why do we have to reapply? There are no guarantees that HDOA will allow our leases to be extended. Wouldn't it be more advantageous to all stakeholders for the present lessees who are established, viable and will certainly sustain continuity and production in Hawaii's economy be given an extension? By extending our leases, it will prevent any stop-gaps in production.

Excuse the cliché, but it is very disheartening to think that all of the "blood, sweat, and tears" we have put into our business will be assigned to someone else.

Please support HB 1705.

Mahalo

Hawaii Clean Seed LLC
13-908 Kamaili Road
Pahoa, Hawaii. 96778

Febraury, 11th 2022

TO: House Committee on Agriculture

FROM: Daniel Kelly Member 50% Hawaii Clean Seed LLC

RE: HB 1705 – Testimony Relating to: Extension of Agricultural Park Leases-
Introduced

by Hawaii State House of Representative Chris Todd

Thank you for the opportunity to submit testimony in support of HB 1705

I have heard alot of talk from the state of Hawaii about encouraging agriculture
and food production and agriculture in Hawaii.

Unfortunately as a working and tax paying farmer I can attest I have not felt any
of the "talking heads" have done anything in substance to help us.

Fertilizer prices, shipping and labor are all through the roof. Regulations are
confusing, overlapping and constrictive whilst seeming to make little sense.

The good honest tax paying agriculturists occupying the Ag Park legally and who
each had to complete innumerable pages of forms, presentations and estimates
to prove to the State their worthiness are exactly the type of people the state
should be elevating, venerating and cherishing since they have proved their role
in Hawaii's future.

They are not some far flung theory or hopeful scheme, they are the backbone of
Hawaii.

So please extend the Ag Park leases for actual tax paying agriculturists and the
people they employ to continue serving Hawaii in the best way they know how for
as long as they can.

Please support and pass HB 1705. We look forward to a favorable response.

Sincerely,

Daniel Kelly

Hawaii Clean Seed LLC

