

HB-1705

Submitted on: 1/28/2022 11:20:51 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

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.

Agricultural products are a major component of the Hawaii 2050 Sustainability Plan. An essential part of the plan is to promote a sustainable economy through strategies that support local agriculture. We trust and believe that the Hawaii Department of Agriculture (HDOA) will continue to be a strong proponent for agriculture in Hawaii, as cited on their website. "HDOA...works to support, enhance, provide and protect Hawaii's agriculture industries." However, a major concern is that approximately 90% of the established lessee's HDOA leases will expire in 15 years or less. If that happens, it would basically end what we have worked for years to establish and to pass onto our children. We are grateful for HB 1705, which will extend our leases for 30 years.

We implore your committee to support and pass this all important bill that will protect Hawaii's agriculture industry for future generations. It will ensure our family owned operations will be passed onto the next generation to sustain continuity and production in Hawaii's agriculture. In addition, this new generation will strengthen and develop the industry with new and innovative ideas and technology.

I am very fortunate to have the next generation in my family to continue the legacy of my ornamental plant nursery which I first started with my wife over 40 years ago on Oahu. We relocated our family and business to the Big Island since land on Oahu was very expensive. Also, our nursery location on Oahu has a high salinity content that was not conducive for our plants. The move to the Big Island proved to be the best decision for the future of our family.

My daughter is the next generation in the agriculture nursery business. My specialty is hybridizing bromeliads. Under my tutelage in the overall business operations and especially in learning how to hybridize, she has been able to create and develop her own hybrids. She has not only continued doing business with our local and mainland market but also in expanding and opening up an international customer base. My son is also starting out in the business with expanding our production which is a crucial component to the success of our business.

Please support this all important bill. Thank you.

HB-1705

Submitted on: 1/29/2022 9:10:42 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

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

Comments:

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

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

HB-1705

Submitted on: 1/31/2022 7:24:28 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Hugh Willocks	Ono Nut Farms, Inc.	Support	No

Comments:

January 30, 2022

TO: The Honorable Hawaii State Senators

The Honorable Hawaii State Representatives

The Honorable Hawaii County Council Members

Dear Senators / Representatives / Council Members ,

I am reaching out to you in regards to the lease extensions for Department of Agriculture land. As it stands, I currently have 15 years left on my lease (General Lease No. S-4763, Lot 16). I inherited this land from my father, whom inherited it from his father. The farm has been with my family since 1982 and given the opportunity I will pass it on to my children. My son has already started the process of taking on the business and planting new crops since moving back to Hilo after completing his Bachelor's Degree at the University of Northern Colorado.

Traditionally we have always produced tree crops (i.e. macadamia nuts, lychee, avocados, etc.) on this land, but are considering other crops. The issue currently present is that without an extension to the lease, it is not economically feasible to invest more capital into our farm. As the COVID-19 Pandemic has decimated tourism in the state, our current crops had become unprofitable. Though the vaccines have been released and tourism is returning, variants pose a continued threat to our states agriculture that cannot be ignored. In order to address these problems with long term solutions, large investments must be made.

The Hawaii 2050 Sustainability Plan discusses increasing Hawaii's food security, sustainability, as well as a diversified economy. Failure to extend leases would act directly against these goals, as multiple local family farms will be forced to cease operations.

If extensions to Department of Agriculture leased lands are granted it would become economically feasible to make the necessary investments. Being that tree crops can take 5-10

years to mature to the point of producing fruit and green houses can cost tens of thousands of dollars, the time left on many of the existing leases are not enough for family farms. This year alone we have expanded our operations to include an additional 500 trees however as mentioned above these trees will take at least 5-7years before they become harvestable. An extension of 30 years would allow our farm to continue to plant new crops, diversify into different crops, maintain/expand our agricultural infrastructure, and continue our family operation in service to the state of Hawaii and its sustainability goals.

I appreciate you taking the time to hear my concerns.

Thank you,

Hugh Willocks (808) 936 - 7939

Ono Nut Farms Inc.

725 Awa Street Hilo, HI 96720

January 31, 2022

Testimony

HB 1705

I am Grayson Inouye, the president of Pacific Floral Exchange. We are one of the state's largest exporters of tropical flowers. We employ over 25 individuals and also market product grown by over 30 independent farms.

Currently, we have 3 parcels leased from the Department of Agriculture in the Puna area at will expire in 2035. We have invested millions of dollars into our farms over the years. We have suffered from the effects of the pandemic and find it difficult to continue investing into our farms with the lease expiring within the next decade.

We strongly urge and support the extension of agricultural lease as stated in HB 1705

Sincerely,

Grayson Inouye
President, Pacific Floral Exchange, Inc.
President Kahakai Nursery, Inc
President, Pacific Farms, Inc.



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

COMMITTEE ON AGRICULTURE

Rep. Mark J. Hashem, Chair
Rep. Amy A. Perruso, Vice Chair

NOTICE OF HEARING

Wednesday, February 2, 2022 10:00 a.m.
VIA VIDEOCONFERENCE
Conference Room 325
State Capitol
415 South Beretania Street

HB1705: 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.

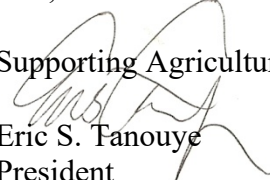
The Hawaii Floriculture and Nursery Association (HFNA) **SUPPORTS HB 1705**

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



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 2, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 1705
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 325 & Videoconference
10:00 AM

Aloha Chair Hashem, Vice-Chair Perruso, 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 1864, 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.



Hawaii Cattlemen's Council, Inc.

COMMITTEE ON AGRICULTURE
Rep. Mark J. Hashem, Chair
Rep. Amy A. Perruso, Vice Chair

HB1705

Relating to Agricultural Park Leases

Wednesday, Feb 2, 2022, 10:00 AM
VIA VIDEOCONFERENCE

Chair Hashem, Vice Chair Perruso, and Members of the Committee,

The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the five county level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

The Hawaii Cattlemen's Council **offers comments on HB1705** to allow 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 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. We support the intent to allow for the extension of agricultural leases, but would like to see this apply to larger land parcels as well. If a leaseholder is utilizing the land for the leased purpose of agriculture and on good terms, we support the opportunity to extend the lease when there are less than fifteen years remaining on the lease. It is imperative that we allow lands in current agricultural production to continue to produce and succeed. Protecting agricultural lands from being used for purposes other than agriculture is a key step in increasing food production. This should extend to larger parcels as well.

We appreciate the opportunity to testify on this measure.

Nicole Galase
Hawaii Cattlemen's Council
Managing Director



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 AGRICULTURE

FEBRUARY 2, 2022
10:00 A.M.

CONFERENCE ROOM 325
and VIA VIDEOCONFERENCE

HOUSE BILL NO. 1705
RELATING TO AGRICULTURAL PARK LEASES

Chairperson Hashem and Members of the Committees:

Thank you for the opportunity to testify on House Bill 1705 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.



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 the current lessee from applying for a new lease upon expiration of the current one. The HDOA maintains a list of interested farmers 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. Our lands are among the most affordable in the State for agricultural use, making it ideal for incubator and start-up operations.

Thank you for the opportunity to testify.

HB-1705

Submitted on: 2/1/2022 9:41:09 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Morris Atta	Hawaii Department of Agriculture	Oppose	Yes

Comments:

Will provide oral testimony and available to answer questions.



January 31, 2022

Representative Mark J. Hashem, Chair
Representative Amy A. Perruso, Vice Chair
House Committee on Agriculture

Testimony in Support of the Intent of HB 1705, Relating to Agricultural Park Leases (Allows the Department of Agriculture [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.)

Wednesday, February 2, 2022, 10:00 a.m.; Conference Room 325 & 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** 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. 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.

LURF supports the intent of HB 1705 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 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**, 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

Submitted on: 2/1/2022 3:13:28 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Marcia Sakai	Individual	Support	No

Comments:

Honorable Chair Mark J. Hashem

Honorable Vice Chair Amy A. Perruso

Honorable Members of the House Committee on Agriculture

We are writing in support of HB1705. HB 1705 provides for small farmers to continue access to agricultural lands in Hawaii, by allowing the Department of Agriculture to extend agricultural leases with remaining terms of 15 years or less.

This mitigates an important barrier to agricultural production by continuing access to affordable farming land available through the leases. HB1705 would support young (20-30 year olds) and older farmers (40-50 years old) to continue in farming and support the long term agricultural food production goals of the State.

We must support our local farmers. Their agricultural product helps to diversify the economic base, to enhance the agricultural/tourism sector, and to provide fresh, local food supply should there be food supply chain disruptions.

Thank you for your consideration. Mahalo!

William and Marcia Sakai

Hilo, Hawaii

HB-1705

Submitted on: 2/1/2022 5:22:58 PM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Robert Danna	Individual	Support	No

Comments:

Mahalo for allowing me to comment in support of HB1705

My name is Robert D'Anna and I am a lease holder of 5 acres at Pahoia Agricultural Park since 1990 more than 30 years. We have and continue to maintain our family home here and operate a sustainable organic fruit and vegetable production including orchards, field and greenhouse crops. The fruit trees we are planting now will be producing well into 2060 and benefiting the people of our island home with a locally grown food source. It is very important for the future food security of both our family and community that we be allowed to continue this Ohana farm on into the future generations. My children, nephews and grandchildren all have a hands on part in the ongoing planting, learning and sharing of experience and produce. Our community and friends also continue to benefit from the work of our hearts and hands as we share. I believe you would agree that what is the greatest good for our families is aligned with the greatest good for our Hawaii. We count on your support, please Kokua and pass this HB1705 and allow us to continue what we have established here for a sustainable future. UA Mau ke Ea o ka 'Aina I ka Pono - The life of the land is perpetuated in righteousness!

Mahalo and Aloha

Robert D'Anna

HB-1705

Submitted on: 2/2/2022 8:45:56 AM

Testimony for AGR on 2/2/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kevin Hopkins	Individual	Support	No

Comments:

2 February 2022

HOUSE OF REPRESENTATIVES

THE THIRTY-FIRST LEGISLATURE

REGULAR SESSION OF 2022

Re: HB 1705 Relating Agricultural Park Leases

Dear Co-Chairs Hashem and Perruso and members of the Committee,

I am writing to express my support for HB 1705, particularly subsection 4(d), which would allow the Department of Agriculture to extend leases with a remaining term of 15 years or less. As the State has found, there is no incentive for holders of State leases to maintain or improve those leaseholds if they have less than 10 or 15 years remaining on the leases. We need to keep those agricultural lands in production and in good condition. Giving the leaseholders an option to renew at market rates provides such an incentive.

Please support the passage of this bill.

Thank you,

Kevin Hopkins

Day2 Resources LLC