

**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**  
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON**  
**CONSUMER PROTECTION & COMMERCE**

**FEBRUARY 10, 2022**  
**2:00 P.M.**

**CONFERENCE ROOM 329**  
**and VIA VIDEOCONFERENCE**

**HOUSE BILL NO. 1705**  
**RELATING TO AGRICULTURAL PARK LEASES**

Chairperson Johanson and Members of the Committee:

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.



P.O. Box 253, Kunia, Hawai'i 96759  
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February 10, 2022

HEARING BEFORE THE  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**TESTIMONY ON HB 1705**  
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 329 & Videoconference  
2:00 PM

Aloha Chair Johanson, Vice-Chair Kitagawa, 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 1705**, 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.



February 8, 2022

Representative Aaron Ling Johanson, Chair  
Representative Lisa Kitagawa, Vice Chair  
House Committee on Consumer Protection & Commerce

**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.)**

**Thursday, February 10, 2022, 2:00 p.m.; Conference Room 329 & 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.



Date: February 3, 2022

To: The Honorable Hawaii State Senators, State Representatives and County Council Members

From: Kurt Fujioka, General Manager

Re: Written Testimony regarding House Bill 1705

Panaewa Foliage was started 23 years ago when we bid for the lease of an abandoned nursery on 10 acres of the state lease land. We now hold leases on 3 properties in the Panaewa area and 1 lease in Pahoehoe. We started with 3 employees and now employ 22 employees.

We grow potted ornamental plants which we export to the mainland to wholesalers, who in turn sell most of them to interior designers for installation in hotels, shopping centers, offices, etc. The remaining plants go to garden centers where homeowners from the public buy them.

Besides employing 22 workers, our company brings in millions of dollars every year into Hawaii's economy. I feel the current lease agreement which has the lease going to auction upon expiration, is extremely unfair to the lease holders after having spent hundreds of thousands of dollars on improvements to the land.

I ask you to please support House Bill 1705 so we may continue to provide jobs and money to Hawaii's economy.

Sincerely,

Kurt Fujioka

**LATE**

**HB-1705**

Submitted on: 2/10/2022 11:32:16 AM

Testimony for CPC on 2/10/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Morris Atta	Hawaii Department of Agriculture	Comments	Yes

Comments:

I am available to answer questions.

**HB-1705**

Submitted on: 2/10/2022 2:03:06 PM

Testimony for CPC on 2/10/2022 2:00:00 PM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Brian Kau	Hawaii Department of Agriculture	Oppose	No

Comments:

Chairperson Shimabukuro-Geiser has submitted testimony for the Departement. I'm available for questions she may ask me to answer.



Honorable Chair Aaron Ling Johansen

Honorable Vice Chair Lisa Kitagawa

**LATE**

Honorable Members of the House Committee on Consumer Protection Commerce

We are writing in support of HB 1705. 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 a significant barrier to agricultural production by continuing access to affordable farming land available through the leases. HB1705 would support the younger farming generation (20-30 years old) and the older generation (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