

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



JAMES J. NAKATANI
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Room 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
Monday, March 14, 2022
1:00 p.m.
CR224 & VIDEO CONFERENCING

HOUSE BILL NO. 2418, HD2
RELATING TO AGRICULTURE

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2418, HD1. The Agribusiness Development Corporation (ADC) supports the intent of this measure, which amends the focus, scope, and management of the ADC and appropriates funds to ADC for a consultant for planning, an accountant, and for security on ADC property. The ADC appreciates any support from the Legislature to help it make optimal use of its agricultural assets and offer the following comments about the proposed amendments to Chapter 163D, HRS.

Regarding the proposed amendment to Section 163D-3(b), HRS on page 5, which amends the number of voting members appointed by the Governor, we recommend that the number be reverted to 8 members, instead of 10. It's already difficult filling current vacancies because finding qualified nominees willing to serve as volunteers has been challenging.

Regarding the proposed amendment to Section 163D-5(b), HRS on page 15, which requires the Hawaii Agribusiness Plan to have “specific one-year, five-year, ten-year objectives and measurable outcomes”, we recommend the following amendments to read as follows:

(b) The Hawaii agribusiness plan goals shall have specific one-three-year, five-year, and ten-year objectives and measurable outcomes, including but not limited to the following:

~~— (1) At least — per cent of all lands within the corporation's inventory are leased or licensed for agricultural production;~~

~~— (2) At least — per cent of production from the corporation's lessees or licensees is intended for local consumption and produced in accordance with the principles of sustainable agriculture; and~~

~~— (3) At least — per cent of all leases and licenses of the corporation's lands are for parcels no greater than twenty acres.~~

The objectives and outcomes shall include annual performance goals and measures on which the corporation shall be evaluated annually.

We believe having a one-year plan is not practical due to time it takes to align efforts and resources. We also believe that imposing percentages and size limits is counterintuitive if the goal is to become more “aggressive and dynamic.” We should let the free market dictate what crops are grown and the size of a farm rather than limiting our farmers and putting them in a box. While the ADC does not oppose implementing performance goals and measures to evaluate its performance, we believe determining what is grown and how much of it should be based on economics and left to the farmer to decide.

Thank you for your consideration of this bill.



Senate Committee on Agriculture & Environment

Hawai'i Alliance for Progressive Action (HAPA) Strongly Supports: HB2418 HD2 w/ amendments

Monday, March 14th, 2022 1:00pm Conference Room 224

Aloha Chair Gabbard, Vice Chair Nishihara and Members of the Committee,

Hawai'i Alliance for Progressive Action (HAPA) strongly supports HB2418 HD2 with amendments.

HB2418 HD2 amends the focus, scope, and management of the agribusiness development corporation (ADC). The bill also appropriates funds to ADC for a consultant for planning, an accountant, and for security on ADC property.

Given the social, political and economic change in recent decades, the work of ADC is not well aligned with state goals. Its practices do not reflect modern knowledge about the impact of large scale, pesticide intensive industrial farming.

Proposed Amendments:

HB2418 HD2 goes a long way to address the agency's shortcomings, and we greatly appreciate the work of the House Investigative Committee to generate the recommendations that are reflected in HB2418 HD2. However, we respectfully request that the committee amend the bill to ensure that vacating lessee's or licensee's do not leave soils contaminated for future use. We also appreciate the House Committee on Agriculture's amendments in the current HD1 that set specific benchmarks for leasing/licensing lands for sustainable local food production. However, since the HD1 currently leave the specific percentages blank, we kindly request the following recommended percentages/benchmarks be included in SECTION 5.4.b:

*(1) At least **80 percent** of all lands within the corporation's inventory are leased or licensed for agricultural production;*

*(2) At least **50 percent** of production from the corporation's lessees or licensees is intended for local consumption and produced in accordance with the principles of sustainable agriculture;*
and

*(3) At least **20 percent** of all leases and licenses of the corporation's lands are for parcels no greater than twenty acres.*

We also recommend that the bill is amended to ensure that the ADC achieve the following by July 1, 2027:

- *Leases or licenses of at least 20% of all lands within the corporation's inventory prohibit the use of any materials not compliant with the United States Department of Agriculture National Organic Program regulations pursuant to title 7 Code of Federal Regulations part 205*
- *No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23.*
- *The corporation shall test the soils of all lands it leases or licenses prior to occupancy.*
- *All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third-party to test the soils and remove any and all contaminants above the levels existing at commencement of the lease or license term.*

HAPA is a Hawaii-wide organization, but grew out of the movement on Kaua'i to advocate for fair and sustainable food systems. Starting around the beginning of 2013 a groundswell of community engagement arose when local residents became concerned about their exposure to pesticide drift from agrochemical tenants on both ADC lands and privately owned lands on Kaua'i's west side. A multi-year advocacy effort to provide basic public health protections from pesticide drift ensued. While the state auditor has highlighted many failings of the ADC¹. Our testimony is largely informed by concerns arising from the ADC's mismanagement of its vast west side Kaua'i landholdings.

In January of 2021 the State Auditor released its audit report to the legislature and found that in its nearly 30 year history, the Agribusiness Development Corporation "has done little to support the development of diversified agriculture and fill the economic void created by the demise of sugar and pineapple²".

The ADC Should Be Aligned w/ State Mandates to Increase Local Food Production

Since the creation of the ADC, the state has shifted its focus from agricultural production for export towards increasing Hawaii's food production for local consumption and public procurement. The state has enacted policies to increase state procurement of locally grown and raised food, initiated a robust state-wide farm to school program and set benchmarks for the percentages of local food procurement. To successfully meet these state policies for increased procurement of local food, the management of agricultural lands under the state's purview must be aligned to support these mandates.

Farmers Identify Access to Affordable Land as a Major Barrier:

Multiple farmer surveys have been conducted which consistently find access to affordable land as the primary barrier that farmers face^{3,4}. The ADC could be leading the way in ensuring that

¹ State Audit of the Agribusiness Development Corporation, Report No. 21-01 Jan 14th 2021 <https://files.hawaii.gov/auditor/Reports/2021/21-01.pdf>

² State Audit of the Agribusiness Development Corporation, Report No. 21-01 Jan 14th 2021 <https://files.hawaii.gov/auditor/Reports/2021/21-01.pdf>

³ Malama Kaua'i Farmer Survey <https://secureservercdn.net/45.40.148.147/i79.5c3.myftpupload.com/wp-content/uploads/2019/06/2017-Kauai-Farmer-Survey-Report.pdf>

⁴ Hawaii Farmers Survey <https://www.hawaiifarmersurvey.com/>

farmers have access to the ADC inventory of lands, along with a clear and equitable process of applying for ADC leases that are sized to a variety of farmer/food producers needs. However, the audit found that “when we requested documents we believed would be essential to the day-to-day operations of a corporation that manages land and properties – such things as land management policies, land acquisition guidelines, inventories of land holdings, and tenant listings – we were informed that the requested materials did not exist and would need to be assembled⁵.”

Public Lands Should Serve the Public Good

Considering that ADC lands represent the largest swath of public (ceded) agricultural lands on Kauaʻi, lawmakers should consider the highest and best use of those lands, for the public good.

As a “public-private corporation”, in the name of bypassing “bureaucratic red tape” the legislature granted the ADC broad powers to buy, own, and develop public lands. In other words, a partly privatized entity has been granted significant control over “public” lands. Without a clear mandate as to how to serve its purpose, in practice the ADC has functioned to redistribute public lands and resources for narrow private gain through an entirely non-democratic process.

The ADC controls some of the most fertile agricultural lands on Kauaʻi, equipped with irrigation and road infrastructure from sugar days. Rather than being made available to meet State goals of local food production, they have mostly been handed over to the largest agrochemical companies in the world for research facilities. This is a huge subsidy to already extremely wealthy and heavily subsidized corporations⁶. In 2019, on the west side of Kauaʻi the State’s Public Land Trust Information lists a lease with Syngenta for 2,369 acres, with BASF for 977 acres, another with BASF for 10 acres, and one with Pioneer for 1,462 acres. These have transferred to Hartung Brothers, Becks, and Corteva, respectively.

The lands leased to agrochemical tenants have been associated with heavy pesticide usage and toxic drift into adjacent communities⁷. The 2016 Joint Fact Finding Group report *Pesticide Use by Large Agribusinesses on Kauaʻi* showed that agrochemical tenants in Kekaha directly adjacent to Hawaiian Homes purchased three times the national average of chlorpyrifos, a dangerous neurotoxin insecticide now banned by the State of Hawaiʻi and several other states⁸. The Hawaiian Homes development in Kekaha is approximately 100 feet from the ADC fields. Chlorpyrifos (which was banned in 2018 in Hawaiʻi and more recently nationally) and other organophosphates (a certain class of insecticide) are known to drift up to a mile.^{9 10 11} Several studies have shown that proximity to agricultural fields at distances up to 0.9 mile results in maternal exposure to pesticides that is associated with neurological deficits in children,

⁵ State Audit of the Agribusiness Development Corporation, Report No. 21-01 Jan 14th 2021 <https://files.hawaii.gov/auditor/Reports/2021/21-01.pdf>

⁶ Corn Subsidies in the United States totaled \$116.6 billion from 1995-2020†. <https://farm.ewg.org/proqdetail.php?fips=00000&proqcode=corn>

⁷ 2016 Joint Fact Finding Group Report on Crops and Pesticides on Kauaʻi <https://www.accord3.com/crops-and-pesticides-on-kauai/>

⁸ 2016 Joint Fact Finding Group Report on Crops and Pesticides on Kauaʻi <https://www.accord3.com/crops-and-pesticides-on-kauai/>

⁹ Deziel NC et al. A Review of Nonoccupational Pathways for Pesticide Exposure in Women Living in Agricultural Areas. *Environ Health Perspect.* 2015. 123 (6) 515-524. <http://ehp.niehs.nih.gov/1408273/>

¹⁰ Simcox NJ Pesticides in household dust and soil: exposure pathways for children of agricultural families. *Environ Health Perspect.* 1995. 103:1126–1134. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1519258/>

¹¹ Waimea Community Dust Impacts, Preliminary Evaluation Report, Knox Hoversland Architects LTD. Jim A’Ana et al. v. Pioneer HiBred International, Inc. Feb 24, 2014.

including autism, autism spectrum disorders, and cognitive impairments^{12 13 14 15 16 17 18 19 20 21 22}
²³. The science is especially strong that children living within ¼ mile of agricultural fields show neurological impacts.

Additionally, small farmers and ranchers seeking ADC leases have been denied with little to no justification. It appears that the ADC has largely handed over management of its lands to a private association, the Kekaha Agricultural Association, whose leadership and membership is largely agrochemical / seed companies. According to the state audit: “ADC also owns two water systems and associated lands on Kauaʻi, a total of 18,628 acres, which are operated and maintained by the Kekaha Agricultural Association, pursuant to an agreement²⁴.”

ADC’s non-democratic process was also reflected in its handling of its Central Oʻahu landholdings. Rather than work closely with the local community which had been caring for the long neglected former Dole lands in Whitmore Village the ADC issued 30 day eviction notices once it acquired the lands. The area had a history of criminal activity, so local residents had taken initiative to plant gardens and fruit trees and care for the area. The ADC ultimately bulldozed their backyard gardens²⁵. Coverage of the incident in 2018 noted that the ADC acted with an “unusual lack of accountability,” including failing to submit annual reports to the Legislature as required by law.

Mismanagement of ADC Lands and Water

ADC’s lack of oversight and mismanagement has led to water hoarding and wasting in Kekaha, ultimately leading to a contested case at the Water Commission.

Beginning in the early 1900s, the Kekaha Sugar Plantation built the Kekaha and Kōkeʻe ditch systems, which diverted much of the water flowing down the Waimea River and its tributaries to

¹² Shelton J et al. Neurodevelopmental Disorders and Prenatal Residential Proximity to Agricultural Pesticides: The CHARGE Study. *Environ Health Perspect.* 2014 122(10): 1103-1109. <http://ehp.niehs.nih.gov/1307044/>

¹³ Shelton J and I Hertz-Picciotto. Neurodevelopmental Disorders and Agricultural Pesticide Exposures: Shelton and Hertz-Picciotto Respond. *Environ Health Perspect.* 2015. 123(4): A79–A80. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4384207/>

¹⁴ Eskenazi B et al. Organophosphate Pesticide Exposure and Neurodevelopment in Young Mexican-American Children. *Environ Health Perspect.* 2007. 115(5): 792–798. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1867968/>

¹⁵ Marks AR et al. Organophosphate pesticide exposure and attention in young Mexican-American children: the CHAMACOS Study. *Environ Health Perspect.* 2010. 118(12): 1768–1774. <http://www.ncbi.nlm.nih.gov/pubmed/21126939>

¹⁶ Gonzalez-ALzaga B. A systematic review of neurodevelopmental effects of prenatal and postnatal organophosphate pesticide exposure. *Toxicol Lett.* 2014. 230(2):104-21 <http://www.ncbi.nlm.nih.gov/pubmed/24291036>

¹⁷ Roberts EM, et al. Maternal residence near agricultural pesticide applications and autism spectrum disorders among children in the California Central Valley. *Environ Health Perspect.* 2007. 115(10):1482-9. <http://www.ncbi.nlm.nih.gov/pubmed/17938740>

¹⁸ Bouchard, MR et al. Prenatal Exposure to Organophosphate Pesticides and IQ in 7-Year-Old Children. *Environ. Health Perspect.* 2011. 119(8): 1189–1195. <https://www.ncbi.nlm.nih.gov/pubmed/21507776>

¹⁹ Marks, A, et al. Organophosphate Pesticide Exposure and Attention in Young Mexican-American Children: The CHAMACOS Study. *Environ Health Perspect.* 2010. 118(12): 1768–1774. <https://www.ncbi.nlm.nih.gov/pubmed/21126939>

²⁰ Eskenazi B et al. Exposures of children to organophosphate pesticides and their potential adverse health effects. *Environ Health Perspect.* 107 Supplement 3, June 1999. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1566222/pdf/envhper00520-0027.pdf>

²¹ Gunier RB et al. “Determinants of Agricultural Pesticide Concentrations in Carpet Dust” *Environ Health Perspect.*, July, 2011.

²² Deziel, NC et al. “Relative contributions of agricultural drift, para-occupational, and residential use exposure pathways to house dust pesticide concentrations: meta-regression of published data” *Environ. Health Perspect.*, March, 2017. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5332194/>

²³ Gunier RB et al. “Prenatal Residential Proximity to Agricultural Pesticide Use and IQ in 7-Year-Old Children.” *Environ Health Perspect.*, June, 2016. <https://ehp.niehs.nih.gov/doi/full/10.1289/EHP504>

²⁴ State Audit of the Agribusiness Development Corporation, Report No. 21-01 Jan 14th 2021 <https://files.hawaii.gov/auditor/Reports/2021/21-01.pdf>

²⁵ Civil Beat: *Surprise Eviction Notices Have This Old Plantation Community Up In Arms* October 19th 2018 <https://www.civilbeat.org/2018/10/surprise-eviction-notices-have-this-old-plantation-community-up-in-arms/>

grow sugar. When the plantation went out of business in 2001, the State of Hawai'i took over the ditch network. The ADC leased the ditch network and lands to the Kekaha Agriculture Association (KAA). But, although the association was cultivating only a fraction of the previous plantation land, and growing much less water-intensive crops, the diversions remained at plantation-era levels, leaving vast stretches of dry stream bed in the Waimea River and headwater streams.

Proceedings before the Water Commission revealed that the association (KAA) was diverting far more water than was needed for agriculture and, instead, was using this public trust resource to feed an antiquated hydropower system that helped subsidize its operations. And much of the water was simply wasted²⁶."

The ADC has facilitated agrochemical companies' exemption from compliance with Clean Water Act standards by extending a decades-old sugar plantation permit to discharge toxic chemicals into the water. The exemption was recommended by the ADC because the Clean Water Act criteria would "likely be extremely difficult to meet" with more stringent federal limits for pesticide discharge now in force²⁷(pg 46-47). If we want to put things in the language of costs, this is another subsidy granted by the ADC to some of the largest corporations in the world at the expense of public health.

In 2019 the ADC was ruled to have polluted waters of West Kaua'i without a permit since 2015 by a federal judge, violating a federal Clean Water Act²⁸. The ruling stems from the ADC lacking a permit to drain polluted waters since it's permit expired in 2015. The water was found to contain the herbicide Glyphosate, which has been linked to cancer and 2 billion dollars in lawsuit winnings over the use of popular Glyphosate-based herbicide Roundup^{29,30}.

Discrepancies in Reporting on Kaua'i ADC Landholdings

It is worth noting that there are discrepancies in the ADC's reports on its landholdings on Kaua'i. In addition to concerns raised by the auditor regarding poor record keeping, this discrepancy in reporting (not included in the auditor's report) should also be cause for concern.

According to the ADC's 2018 report to the legislature, the agency reported to manage a total of 35,000 acres on Kaua'i - 28,000 acres of land in Kekaha, and 7,000 acres of former Lihue Plantation land (now referred to as Kalepa)³¹.

Yet in the ADC's 2019 report to the legislature, the agency reported to manage a total of 19,000 acres on Kaua'i - 12,000 acres of land in Kekaha, and 7,000 acres of Kalepa lands³².

The state auditor's report states: "when Kekaha Sugar Company on Kaua'i shuttered, ADC became involved in the management of 12,500 acres of state agricultural land and related

²⁶ Earthjustice: Flows Restored to Waimea and Grand Canyon of the Pacific April 18th 2017 <https://earthjustice.org/news/press/2017/flows-restored-to-waimea-river-and-grand-canyon-of-the-pacific>

²⁷ 2016 Joint Fact Finding Group Report on Crops and Pesticides on Kaua'i <https://www.accord3.com/crops-and-pesticides-on-kauai/>

²⁸ United States District Court CIVIL NO. 18-00005 DKW-RLP https://earthjustice.org/sites/default/files/files/Order_Summary-Judgment-and-Dismissal_2019-07-09.pdf

²⁹ Jury orders Monsanto to pay 2 billion in roundup weed killer cancer case <https://www.usatoday.com/story/money/2019/05/13/weed-killer-cancer-case-jury-orders-monsanto-pay-2-billion/1194572001/>

³⁰ KHON: State guilty of violating Clean Water Act on Kauai with cancer-linked Glyphosate, other pesticides July 15, 2019 <https://www.khon2.com/news/state-guilty-of-violating-clean-water-act-on-kauai-with-cancer-linked-glyphosate-other-pesticides/>

³¹ ADC Annual Report 2019 <https://hdoa.hawaii.gov/wp-content/uploads/2019/01/DOA-ADC-Annual-Report-2018.pdf>

³² ADC Annual Report 2019 <https://hdoa.hawaii.gov/wp-content/uploads/2019/01/DOA-ADC-Annual-Report-2018.pdf>

infrastructure, including the former Kekaha and Koke'e plantation irrigation systems. After making a number of improvements and formally assuming management of the state land in 2003, ADC entered into an agreement with the Kekaha Agriculture Association, an agricultural cooperative, to operate and maintain common infrastructure. ADC also issued long-term land leases to several tenants³³ (Page 9, footnote 5)

This lack of clarity raises concerns about what degree of oversight the agency actually has over its West Kaua'i landholdings.

Incentivize Regenerative Farming Practices on Public Lands

Public lands can and should serve as a resource for small-scale regenerative agriculture solutions that can feed our communities and manage Hawai'i's agricultural lands for future abundance. However, the failures of the ADC have hindered Hawai'i's potential for a diversified and sustainable food economy.

Lawmakers should prioritize regenerative agroecology farming operations that utilize soil and water conservation practices and climate friendly approaches. Regenerative farming practices provide an array of environmental benefits: preventing run-off into nearshore fisheries and coral reefs, sequestering carbon in the soil while rebuilding soil health and capturing carbon through agroforestry approaches^{34, 35}.

Additionally, lawmakers should further support the revitalization of native Hawaiian food systems. There are a plethora of successful grassroots efforts to restore Hawai'i's food security rooted in ancestral wisdom of how to feed our communities sustainably while managing natural resources for future abundance. Many of these projects are succeeding despite the lack of access to affordable leases and water and resources of the ADC.

COVID-19 has revealed the socio-ecological fragility of our current industrial-globalized food systems on a world-wide scale and here in Hawai'i. The effects of the pandemic on farming and food supply chains raises concerns about widespread food shortages and price spikes. A transition to more socially just, ecologically resilient, localized food systems is therefore urgently needed and drastically increasing small scale food production agriculture is the solution³⁶.

Work with Farmers and Food Systems Experts to Create a Plan

Several farmers and food systems experts we spoke to believe that an inclusive, stakeholder driven process is desperately needed to create a plan for the future of Hawai'i's agricultural lands and water systems. The ADC was tasked with creating a strategic plan almost 30 years ago. Today a well developed plan is still vitally needed to advance a comprehensive and sustainable approach for managing Hawai'i's agricultural lands.

The creation of the ADC agribusiness plan should make an effort to include regenerative/organic farmers, representatives from some of the many local organizations

³³ State Audit of the Agribusiness Development Corporation, Report No. 21-01 Jan 14th 2021 <https://files.hawaii.gov/auditor/Reports/2021/21-01.pdf>

³⁴ Regeneration International: *Why Regenerative Agriculture?* <https://regenerationinternational.org/why-regenerative-agriculture/>

³⁵ The Journal of Peasant Studies: Agroecology and the reconstruction of a post-COVID-19 agriculture June 2nd 2020 <https://www.tandfonline.com/doi/full/10.1080/03066150.2020.1782891?journalCode=fjps20>

³⁶ The Journal of Peasant Studies: Agroecology and the reconstruction of a post-COVID-19 agriculture June 2nd 2020 <https://www.tandfonline.com/doi/full/10.1080/03066150.2020.1782891?journalCode=fjps20>

engaged in 'āina-based projects that incorporate restoration of native Hawaiian food systems, food production, community education and environmental stewardship.

HB2418 HD2 is critical to reaching our local food production goals and transforming our agricultural sector into a just, flourishing and prosperous one.

Please support HB2418 HD2 with the proposed amendments.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Anne Frederick', with a long horizontal stroke extending to the right.

Anne Frederick
Executive Director



PO Box 1177 Koloa HI 96756
808.652.5286 hawaiiSEED.org

March 13, 2022

IN STRONG SUPPORT OF HB 2418 HD 2 – ADC Reform, with amendments

Aloha Senate Committees on Agriculture and Environment, and Ways and Means,

In the words of Wendall Berry, “The care of the Earth is our most ancient and worthy, and after all our most pleasing responsibility. To cherish what remains of it and to foster its renewal is our only hope.”

The Agribusiness Development Corporation (ADC) must be reformed. Since 1994, with large amounts of funding, they have failed in their mission. We must get the ADC on track to perform with integrity. The scathing audit shows the depth of mismanagement, damage to the land and criminal activity.

As stated in this Bill, I find this point critical: the legislature finds that the downsizing of the sugar and pineapple industries presented an unprecedented opportunity for the conversion of agriculture into a dynamic growth industry. By caring for public agricultural lands to enhance the local economy, provide employment opportunities, decrease reliance on imported agricultural products, and provide more sources of locally grown food for residents.

Thousands of acres of agricultural lands and abundant irrigation water that are available since the downsizing of the sugar and pineapple industries left vacant a valuable inventory of supporting infrastructure including irrigation systems, roads, drainage systems, processing facilities, workshops, and warehouses, which are still largely under-utilized.

The benefit of supporting and solidifying the production of local agricultural products for local consumption in a manner that is economically and environmentally sustainable to supply our residents, institutions and visitors is necessary in an ever-changing world. We must not only prepare, but catch up to the lag in 28+ years of mandated preparation that has been squandered. The people of Hawai`i would benefit and be more food secure by making optimal use of agricultural lands for local food production and create jobs near communities.

Increasing local production of agricultural products for local consumption reduce the State’s reliance on imported agricultural products, Increased access to farmland and related infrastructure for small local farmers and diversified cooperatives is an honorable and necessary direction that has not received the attention and action that the Agricultural Development Corporation was created for.

We want the future of non-toxic agriculture and healthy food production to succeed. These large areas of acquired land and abundant resources may be needed, and should be ready, to feed the entire island chain in case of drought or unforeseen disaster. Let us correct and re-design the agricultural use of the lands under the management of the ADC.

Please support HB 2418 HD2 and reform the ADC,

Jeri Di Pietro, President
Hawai`i SEED
Koloa, HI 96756

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 COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Monday, March 14, 2022

1:00 p.m.

CR224 & VIDEO CONFERENCING

**HOUSE BILL NO. 2418, HD2
RELATING TO AGRICULTURE**

Chairperson Gabbard and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 2418 HD2. This measure amends the focus, scope, and management of the Agribusiness Development Corporation (ADC) and appropriates unspecified funds to ADC for a consultant for planning, an accountant, and for security on ADC property. The Hawai'i Department of Agriculture (Department) supports the intent of this measure provided it does not adversely impact the Department's priorities in the Executive Biennium Budget and offers comments.

The Department appreciates the Legislature's efforts to restructure and refocus ADC to facilitate optimal use of its agricultural assets for the economic, environmental, and social benefit of the people of Hawaii and to implement some of the recent recommendations of Legislative Auditor to improve ADC's effectiveness.

Thank you for the opportunity to testify on this measure.





Hawai'i Food+ Policy
Providing Comments in Regards to HB2418

March 13, 2022

To the honorable members of the House Agriculture Committee,

The Hawai'i Food+ Policy provides comments for HB2418 in hopes to strengthen the measure and its effects. We would like to see more voice given to Native Hawaiians, Traditional Agriculturalists, and organic farmers

On pages 5 & 6 of the bill, it mentions the expansion of the board to have 13 voting members, 10 of which appointed by the governor who would need qualifications that come with experiences that have to do with Agriculture, traditional customary practices, and organic and natural farming. The choice range should not be so up for interpretation we need to silo how many members from each respective area of expertise should be a member. There needs to also be a **voting member from OHA since some of the landholdings of the ADC include seized Crown and Hawaiian Kingdom government lands**. There should be at least **4 members who have organic and natural farming expertise and experience** because there is nothing in the bill that prevents 10 members from conventional farming backgrounds. Another **two members (at least) should have expertise in traditional Native Hawaiian agricultural expertise**. What we are asking for is that we strengthen the often underserved voices

Under **§163D-4 Powers; generally, the removal of sections 10 and 11** weakens the ability of the ADC to assist farmers in market planning. Therefore the ADC should keep the aforementioned sections, and other sections regarding marketing to provide data that can help support the argument to revitalize and enhance our food systems.

Another change which we observed is **§163D-5 Hawaii Agribusiness Plan, in section 1** it adds "...that the inventory of agricultural lands under this paragraph shall be agricultural lands within the purview of the corporation" with only ten people having qualifications for such decision-making (which is again not a majority), we question if this added section would open the door for others to sway members of the board and influence the future of these agricultural lands, and with the absence of someone representing the "ceded lands trust" better referred to as "seized lands" there may be a lack of understanding of the legalities and effects of disposition of such lands.

Mahalo for taking the time to read our comments on HB2418.

Mahalo, Bronson Azama



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

March 14, 2022

HEARING BEFORE THE
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON HB 2418, HD2
RELATING TO AGRICULTURE

Conference Room 224 & Videoconference
1:00 PM

Aloha Chair Gabbard, Vice-Chair Nishihara, 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 the intent of HB 2418, HD2, which amends the focus, scope, and management of the agribusiness development corporation (ADC) and appropriates funds to ADC for a consultant for planning, an accountant, and for security on ADC property.

The Agribusiness Development Corporation was initiated by the agricultural industry as sugar and pineapple downsized. It was established to help transition Hawai'i's agricultural industry from plantation agriculture to smaller diversified agricultural operations. Transitioning large tracts of monoculture farmland into smaller diversified ag lots and finding and supporting bona fide farmers to work those lands is a long and complex process. Major logistical challenges such as funding and developing necessary infrastructure must also be overcome and that takes time.

Over the past decade, ADC has made significant progress in transitioning Hawai'i's agriculture sector. A critical review of post-plantation history reveals that ADC has been successful where no other entity has been in developing a productive diversified sector out of former sugar and pineapple lands. ADC also plays an important role in Kauai agriculture through the management of state agricultural lands and related water infrastructure. On Oahu, it manages the Waiahole Irrigation System that provides water to farmers on thousands of acres of productive prime agricultural lands. It will provide even more opportunities for farmers with its recent acquisition and management of thousands of acres of land in central Oahu.

HB 2418, HD2 seeks to update ADC's duties and responsibilities to adjust to the changing landscape of modern agriculture. HFB agrees that Hawai'i's agricultural industry has evolved since the inception of ADC and it continues to evolve and that there is a need to review ADC's mandate and focus to ensure it can continue to help develop and promote agricultural enterprises and provide industry-wide services.

We do agree that additional funding for administrative support and resources to fully realize ADC's potential. ADC has many responsibilities and continues to assist Hawai'i's transition from plantation agriculture to smaller diversified agricultural operations and needs the additional and necessary resources to support their efforts.

Thank you for this opportunity to provide comments on this measure.

HB-2418-HD-2

Submitted on: 3/11/2022 4:34:04 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
robin knox	Individual	Support	Written Testimony Only

Comments:

I support this bill

HB-2418-HD-2

Submitted on: 3/11/2022 5:14:21 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Momi Ventura	Individual	Support	Written Testimony Only

Comments:

Aloha, I Am Grateful To Speak On Behalf Of Food Sovereignty In Hawai'I Nei. As Per Small Farmers Of Hawai'I I Wholeheartedly Agree In Subsidizing These Precious Farmers Needs. As We Grow Into The Future, We As Lover's Of Fresh NON-GMO Foods, That Grow Here In Hawai'I And No Where Else. We Have The Man/ Woman Power To Grow True Foods From Hawai'I, Where As Limes And Oranges Don't Compare To Hawai'I's Own Sweet Potato, Kalo And The Myriad Of Fruits Exclusive Foods Grown And Eaten In Hawai'I Nei. We Have Never Needed To Grow For Profit, Only What Ends Up On Plates. We Got This, We As Indigenous Hawaiians Have Been And Are Inherently Of Agriculture And Of Fisheries.. Of Course Navigation Is Now Done For Pleasure And Research.. Hawai'I Needs People Who Don't Forcefully Abuse The Natural Landscape Of Hawai'I And Not For Profit. Always Remember That We Indigenous Hawaiian People Have Talent's Appropriate For These Landscapes And Weather. Mahalomai For Your Time And Consideration.

HB-2418-HD-2

Submitted on: 3/11/2022 5:16:39 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John & Rita Shockley	Testifying for FREE ACCESS COALITION	Support	Written Testimony Only

Comments:

Aloha Senators!

The Free Access Coalition coordinators support free access of small farmers to agricultural land to help feed Hawaii's growing population. We understand it's easier to just ship in farm goods from the mainland. That doesn't help build a more diverse Hawaiian economy.

HB2418 is a step in the right direction for Hawaii. We hope you support it!

Mahalo for your time and hopefully your kokua!

HB-2418-HD-2

Submitted on: 3/11/2022 5:24:19 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rexann Dubiel	Individual	Support	Written Testimony Only

Comments:

I am in full support of this bill!

Transparency, please.

When the head of an agency is

"Too busy to be audited," you know something is not right!

HB-2418-HD-2

Submitted on: 3/11/2022 6:12:08 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nayeva Pajot-Gendron	Individual	Oppose	Written Testimony Only

Comments:

The Agribusiness Development Corporation (ADC) has operated within the last 30 years isn't working. If we want the future of agriculture and food production in Hawai'i to succeed, the agency cannot continue to exist as is. Period.

HB-2418-HD-2

Submitted on: 3/11/2022 6:36:09 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Hansen	Individual	Support	Written Testimony Only

Comments:

Aloha - as the owner/ operator of a small farm in Hakalau HI, I am requesting you to support this bill.

Mahalo

Elizabeth Hansen

HB-2418-HD-2

Submitted on: 3/11/2022 6:38:00 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rodger Hansen	Individual	Support	Written Testimony Only

Comments:

Dear Representative,

Please support this bill. I am a small farm owner, and request your help.

Thank you

Rodger Hansen

HB-2418-HD-2

Submitted on: 3/11/2022 7:44:15 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
laurel brier	Testifying for Kauai women's caucus	Support	Written Testimony Only

Comments:

We need deep change and improvements to the ADC if we are to support local farmers growing food for the islands and a chance at greater food self sufficiency for Kauai. Supporting good land practices is also supporting a healthy environment and address the climate crisis

HB-2418-HD-2

Submitted on: 3/11/2022 9:43:15 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

- In 2021, a shocking state audit revealed that the ADC has failed to fulfill its mission within its nearly 30-year existence
- The Hawai‘i State Auditor described the ADC as an agency that "has done little – if anything – to facilitate the development of agriculture enterprises to fill the economic void created by the demise of the sugar and pineapple industries."
- Prior to the 2021 audit, the ADC has also faced additional scandals throughout the years. This includes being sued for blatantly mismanaging land and water resources, [people dying on ADC-managed lands](#), denying local farmers leases without justification, [violating the Clean Water Act](#), allowing tenants to operate without formal leases, and leasing the majority of their landholdings to agrochemical companies that test experimental pesticides and grow herbicide-resistant seed crops.
- If Hawai‘i is to meet its goals of doubling food production for local consumption, the agency must be reformed. Rather than focusing on using agribusiness for export, ADC-managed lands could be used to strengthen Hawai‘i’s food security.
- Several studies have shown that small farmers overwhelmingly identified a lack of access to affordable, right-sized farm leases as a major barrier to farming. If the state is to meet its local food production goals, the ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.
- The state audit found that the ADC was lacking in deep agricultural expertise. The ADC should seek to increase the agricultural expertise on its board and staff through its strategic planning process. According to James Nakatani, the Executive Director of the ADC, “no one [at the agency] has a deep agricultural background.”
- Despite being required by statute, the ADC never developed an agribusiness plan for defining and establishing goals, objectives, policies, and priority guidelines. Having this plan in place would help the agency to fulfill its mission.

Proposed Amendments

Given the social, political, and economic change in recent decades, the work of ADC is not well aligned with state goals. Its practices do not reflect modern knowledge about the impact of large-scale, pesticide-intensive industrial farming. The ADC should also do the following:

- No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by the United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23. help the agency to fulfill its mission. The corporation shall test the soils of all lands it leases or licenses prior to occupancy.
 - All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

HB-2418-HD-2

Submitted on: 3/11/2022 10:24:48 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
pamela burrell	Individual	Support	Written Testimony Only

Comments:

Aloha House members,

I strongly support HB 2418. With the instability of oil prices causing shipping to costs to rise.. our dependence on imported food should be a thing of the past.

The ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.

Please do what's healthy for our island state and its people.

Regards,

pamela burrell

kalihawaii, kaula'i

HB-2418-HD-2

Submitted on: 3/12/2022 9:54:25 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marilyn Yamamoto	Individual	Support	Written Testimony Only

Comments:

I support HB2418.

HB-2418-HD-2

Submitted on: 3/12/2022 11:09:21 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Barry	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support HB 2418 HD2,with amendments.
Its beyond time for the ADC to function like it was intended to.
Such negligence of the use of tax payers funds is unacceptable.
Mahalo for making sure this Agency serves it's important purpose!
Thank goodness for the audit!

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
ON
HOUSE BILL NO. 2418, H.D. 2

March 14, 2022
1:00 p.m.
Room 224 and Videoconference

RELATING TO AGRICULTURE

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 2418, H.D. 2, amends Chapter 163D, HRS, by narrowing the scope of the Agribusiness Development Corporation (ADC) to focus on supporting the production of local agricultural products for local consumption to reduce the State's reliance on imports; expanding the ADC Board of Directors (Board) from 11 members to 13 members; requiring the Board to evaluate and document the ADC Executive Director's performance annually; and requiring the ADC to update their Hawai'i agribusiness plan by no later than July 1, 2024, and include specific one-year, five-year, and ten-year objectives. This bill also appropriates an unspecified amount of general funds in FY 23 for a consultant to assist the ADC in preparing and finalizing their agribusiness plan; appropriates an unspecified amount of general funds in FY 23 for 1.00 permanent accountant position and other fiscal support services; and appropriates an unspecified amount of general funds in FY 23 for security guard services to address trespassing, abandonment of vehicles, and other security issues on vacant ADC lands.

B&F notes that, with respect to the general fund appropriations in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.

HB-2418-HD-2

Submitted on: 3/12/2022 2:20:33 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stuart Coleman	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee Members,

My name is Stuart Coleman, and am writing in strong support of HB2418.

Despite a scathing audit and decades of controversy, all bills that sought to repeal or reform the agency last year were deferred. This resulted in the Hawai'i State House of Representatives creating an investigative committee to follow up on the audit and develop [a set of recommendations for how best to reform the agency](#). Those reforms are encapsulated in [HB2418 HD2](#).

- Provides comprehensive and meaningful reform of the Agribusiness Development Corporation (ADC).
- Amends the purpose of the agency to shift from a focus on crops for export to sustainable farming and food production for local consumption.
- Ensures a variety of agricultural expertise on the governing board of directors, including a focus on sustainable local food production.
- Ensures that a comprehensive strategic plan is created for the agency. This would be informed by an analysis of farmer and food producer needs throughout Hawai'i. The plan would be reviewed annually to ensure the agency is meeting goals and benchmarks.
- Provides greater oversight and direction for the executive director to ensure the agency is being managed to meet its goals for increasing local food production.
- Prioritizes entering into lease agreements designed to increase the production of local agricultural products. Set lease sizes appropriately to support small and mid-sized food producers.
- Establishes requirements regarding the amount of leases set aside for the production of local agricultural products for local consumption.

Mahalo for your serious consideration of this needed bill.

Aloha, Stuart Coleman, 2927 Hibiscus Pl., Hon., HI 96815

HB-2418-HD-2

Submitted on: 3/12/2022 9:51:35 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lily Diamond	Individual	Support	Written Testimony Only

Comments:

Esteemed lawmakers,

I strongly support HB 2418 HD2, to reform The Agribusiness Development Corporation (ADC). Hawai'i is at a tipping point in its progress towards the stated (and legislated) goal of doubling local food production by 2030. The ADC, which should be aiding this effort, has been revealed as corrupt, outdated, and ineffectual many times over the past decades. It's time for change.

If Hawai'i is to meet its goals of doubling food production for local consumption, the ADC must be reformed. Rather than focusing on using agribusiness for export, ADC-managed lands could be used to strengthen Hawai'i's food security. The ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.

Small farmers need access to affordable, right-sized farm leases as a major barrier to farming. It is critical that our government agencies manage Hawai'i's public lands for the public good.

Thank you,

Lily Diamond

'Ulupalakua, Maui

HB-2418-HD-2

Submitted on: 3/12/2022 10:50:24 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sherry Pollack	Individual	Support	Written Testimony Only

Comments:

I strongly support HB2418 HD2

If Hawaii is to meet its goals of doubling food production for local consumption, the ADC must be reformed. ADC-managed lands should be used to strengthen Hawaii's food security. The ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.

Mahalo for the opportunity to testify.

HB-2418-HD-2

Submitted on: 3/13/2022 9:29:54 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

I strongly support the HB 2418 HD2, and would like to suggest several amendments to the reformation of the ADC.

I do believe a better strategic plan needs to be developed for the ADC. One reason why is that despite being required by statute, the ADC never developed an agribusiness plan for defining and establishing goals, objectives, policies, and priority guidelines. Having this plan in place would help the agency to fulfill its mission.

The ADC needs to be revamped to reflect this era's goals in sustainability, climate change and restoration of damage done to the ecosystem since its inception. Given the social, political, and economic change in recent decades, the work of ADC is not well aligned with current state goals. The ADC needs to reflect current trends pertaining to the complexity of large-scale sustainable farming what the impact of large-scale, pesticide-intensive industrial farming has had upon that consideration.

Here are other objectives that the ADC should reflect for our agribusiness industry:

No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by the United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23.

The corporation shall test the soils of all lands it leases or licenses prior to occupancy.

All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

Mahalo for considering my views and for your hard work.

HB-2418-HD-2

Submitted on: 3/13/2022 9:46:04 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorraine Newman	Individual	Support	Written Testimony Only

Comments:

Aloha,

This testimony is in support of passage of this bill with additional amendments... listed below.

Passage must be done ASAP, especially given the 2021 state audit has clearly shown that the ADC, as it currently exists, is not only not functioning well, but is working against its/our mission goals. Worse, the ADC has been leasing lands to agrochemical companies that have now admitted to poisoning our land/waters, mismanaged leases in general, and otherwise has failed to show due consideration to small farmers or sustainable agricultural practices that are beneficial to the island's health and food security.

It's time for a major change!

This bill should be passed with the following amendedments, which will help to protect our resources as well as create a legally enforcable path to hold leaseholders accoputable for their management our resources:

Proposed Amendments

- No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by the United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23.
- The corporation shall test the soils of all lands it leases or licenses prior to occupancy.
- All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

Mahalo for listening,

Lorraine Newman

Kilauea, Kauai

HB-2418-HD-2

Submitted on: 3/13/2022 10:34:30 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support w/ amendments

I support this bill even though I know there is no way in hell that the ADC CAN be 'reformed'; it's a rat's nest & always has been.

It's past time to COMPLETELY REPEAL the ADC & put it back into the AG Dept. (Not DBEDT!)

Nothing is going to 'fix it' & you're wasting your time & our money. #grrrr

HB-2418-HD-2

Submitted on: 3/13/2022 11:23:09 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

Comments:

ADC has not lived up to its purpose. This bill should set it on the road to promoting food security in Hawaii and providing support to small farmers, as it was supposed to do.

HB-2418-HD-2

Submitted on: 3/13/2022 11:53:04 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lauren Marchand	Testifying for Lapa'au Farm	Support	Written Testimony Only

Comments:

Esteemed lawmakers,

As the co-owner of Lapa'au Farm LLC, a small two acre organic farm in Makawao, Maui, I strongly support HB 2418 HD2, to reform The Agribusiness Development Corporation (ADC). Hawai'i is at a tipping point in its progress towards the stated (and legislated) goal of doubling local food production by 2030. The ADC, which should be aiding this effort, has been revealed as corrupt, outdated, and ineffectual many times over the past decades. It's time for change.

If Hawai'i is to meet its goals of doubling food production for local consumption, the ADC must be reformed. Rather than focusing on using agribusiness for export, ADC-managed lands could be used to strengthen Hawai'i's food security. The ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.

Small farmers need access to affordable, right-sized farm leases as a major barrier to farming. It is critical that our government agencies manage Hawai'i's public lands for the public good.

Thanks for your consideration,

Lauren Marchand

HB-2418-HD-2

Submitted on: 3/13/2022 12:07:11 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Fallbeck	Individual	Support	Written Testimony Only

Comments:

House Bill 2418 has the support of the Committee that studied it for a year. The changes that were made improved the bill's ability to monitor the operation of the Ag Department that has ignored the small farmers. If we are to have a sustainable economy, we need these safeguards.

Thank you!

Dr. Patricia Fallbeck



Restore the Commons

Monday, March 14, 2022, 1:00 pm

Senate Committee on Agriculture and Environment

HOUSE BILL 2418 – RELATING TO AGRICULTURE

Position: Support

Me ke Aloha, Chair Gabbard, Vice-Chair Nishihara, and Members of the Committee on Agriculture and Environment

Mahalo for supporting changes to the structure and mandate of the Agribusiness Development Corporation. For all of its achievements, times have changed dramatically since its beginnings, and the proposed changes fit a deeply concerning inability to provide affordable fresh food for local families. Because farming is not a lucrative activity but can be relatively self-sustaining, it is imperative that State resources in land and water be thoughtfully provided.

Moreover, other forms of infrastructure support, including small industry capacity, value-added services such as canning and bottling, transportation, storage facilities, composting infrastructure, marketing and distribution must be coordinated for the benefit of local farmers and working families.

Many Hawaii families live below median income, and must make use of fast foods which are nutritionally dubious, making the rise of food security in local produce essential for the future, which we know is set against a backdrop of draught, intense storms, possible supply chain and shipping disruptions, and potentially new pandemics, all with their effects on the local economy. Food security should be a central feature of our local economy, and a revived ADC can assist.

Mahalo for the opportunity to address this issue,

/s/ Charley Ice, Hoa'āina; and member of the Food Security and Agriculture Committee of the Democratic Party's Environmental Caucus.

**Building the new normal with People and Land: Food Security Health Care Public Banking
Regenerating Soils Cutting Waste Eliminating GHG emissions**

HB-2418-HD-2

Submitted on: 3/13/2022 12:48:58 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Ravarra	Individual	Support	Written Testimony Only

Comments:

Members of the Legislature, the Agribusiness Development Corporation (ADC) must be reformed! The time is now, and the possibility lies in your hands. This agency, whose mandate was to improve and advance the agriculture industry in the State of Hawai'i, has failed miserably in almost all avenues. There are reams of pages outlining the disaster that the ADC has become and its gross mismanagement of perhaps billions of hard-earned taxpayer dollars. I don't believe that I need to reiterate them for you, I'm sure that you are aware of these matters. So please, stop just thinking and complaining about it and DO SOMETHING ABOUT IT! This is the opportunity. Please vote YES on HB2418 HD2.

HB-2418-HD-2

Submitted on: 3/13/2022 2:05:51 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian Murphy	Individual	Support	Written Testimony Only

Comments:

Aloha Lawmakers,

It's clear that the way the Agribusiness Development Corporation (ADC) has operated within the last 30 years isn't working. If we want the future of agriculture and food production in Hawai'i to succeed, **the agency cannot continue to exist as is.**

Please join me in supporting [HB2418 HD2](#) (ADC reform) with amendments!

HB-2418-HD-2

Submitted on: 3/13/2022 2:08:39 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Whispering Wind	Individual	Support	Written Testimony Only

Comments:

Aloha Lawmakers,

It's clear that the way the Agribusiness Development Corporation (ADC) has operated within the last 30 years isn't working. If we want the future of agriculture and food production in Hawai'i to succeed, **the agency cannot continue to exist as is.**

Please join me in supporting [HB2418 HD2](#) (ADC reform) with amendments!

HB-2418-HD-2

Submitted on: 3/13/2022 5:09:08 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Stayton	Individual	Support	Written Testimony Only

Comments:

As a resident of Lawai, Kauai and a small farmer, I am writing in strong support of HB2418 with Amendments. This bill is vitally important to Hawaii's future ability to feed its people. The ADC could be a great tool to increase home grown food production, but it must not poison our land and water in doing so. It must not cater to big corporation interests. I recommend the following Amendments:

- No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by the United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23.
- The corporation shall test the soils of all lands it leases or licenses prior to occupancy.
- All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

Mahalo,

Susan

HB-2418-HD-2

Submitted on: 3/13/2022 6:21:07 PM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diane Ware	Individual	Support	Written Testimony Only

Comments:

Dear Chair and Committee Members,

This amended bill HB2418 HD2 is worthy of a general vote. I urge you to move it forward as the bill

- Provides comprehensive and meaningful reform of the Agribusiness Development Corporation (ADC).
- Amends the purpose of the agency to shift from a focus on crops for export to sustainable farming and food production for local consumption.
- Ensures a variety of agricultural expertise on the governing board of directors, including a focus on sustainable local food production.
- Ensures that a comprehensive strategic plan is created for the agency. This would be informed by an analysis of farmer and food producer needs throughout Hawai'i. The plan would be reviewed annually to ensure the agency is meeting goals and benchmarks.
- Provides greater oversight and direction for the executive director to ensure the agency is being managed to meet its goals for increasing local food production.
- Prioritizes entering into lease agreements designed to increase the production of local agricultural products. Set lease sizes appropriately to support small and mid-sized food producers.
- Establishes requirements regarding the amount of leases set aside for the production of local agricultural products for local consumption.

Respectfully,

Diane Ware, Volcano HI 96785 808-967-8642

HB-2418-HD-2

Submitted on: 3/14/2022 5:47:41 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Angela Huntmer	Individual	Support	Written Testimony Only

Comments:

Dear Chair and Committee Members, It has been crystal clear for some time that the ADC is in need of some significant reorganization or even complete cancelling. Please let's take a step forward to this end and give them HB2418. Mahalo.

HB-2418-HD-2

Submitted on: 3/14/2022 8:16:32 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorilani	Testifying for Pesticide Action Network	Support	Written Testimony Only

Comments:

Aloha I am submitting this testimony in **support of HB2418 HD2.**

- I would like to take this back to the States Audit that found the ADC was lacking in deep agricultural expertise. The ADC should seek to increase the agricultural expertise on its board and staff through it's strategic planning process. According to James Nakatani, the Executive Director of the ADC, "no one (at the agency) has a deep agricultural background."
- **PROPOSED AMENDMENTS:** Times are changing socially, politically and economically, and the ADC is not aligning with the states goals. Its practices don't reflect the modern knowledge about impact of large scale, pesticide-intensive industrial farming. The ADC should also do the following:
 - No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of concentrated animal feeding operation as defined by the US EPA regulations pursuant to title 40 Code of Federal Regulation section 122.23.
 - The ADC must test the soil in all of the lands it leases or licenses prior to occupancy.
 - All leases of lands under the ADC direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

The ADC managed lands have an opportunity to strengthen Hawai'i's food security. To grow food that would stay IN Hawai'i and increase our ability to support farmers here on several islands. Your kuleana is important, we humbly ask that you consider voting to support this Bill moving forward.

Aloha nō,

Lorilani Keohokālole

Co-Director of Organizing, PANNA (Hawai'i)

HB-2418-HD-2

Submitted on: 3/14/2022 8:31:00 AM

Testimony for AEN on 3/14/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo a lifelong resident of my ancestral homelands in O‘ahu. I'm writing in support of HB2481 HD2 with ammendments.

It’s clear that the way the Agribusiness Development Corporation (ADC) has operated within the last 30 years isn’t working. If we want the future of agriculture and food production in Hawai‘i to succeed, the agency cannot continue to exist as is.

I'm writing because:

- In 2021, a shocking state audit revealed that the ADC has failed to fulfill its mission within its nearly 30-year existence
- The Hawai‘i State Auditor described the ADC as an agency that "has done little – if anything – to facilitate the development of agriculture enterprises to fill the economic void created by the demise of the sugar and pineapple industries."
- Prior to the 2021 audit, the ADC has also faced additional scandals throughout the years. This includes being sued for blatantly mismanaging land and water resources, [people dying on ADC-managed lands](#), denying local farmers leases without justification, [violating the Clean Water Act](#), allowing tenants to operate without formal leases, and leasing the majority of their landholdings to agrochemical companies that test experimental pesticides and grow herbicide-resistant seed crops.
- If Hawai‘i is to meet its goals of doubling food production for local consumption, the agency must be reformed. Rather than focusing on using agribusiness for export, ADC-managed lands could be used to strengthen Hawai‘i’s food security.
- Several studies have shown that small farmers overwhelmingly identified a lack of access to affordable, right-sized farm leases as a major barrier to farming. If the state is to meet its local food production goals, the ADC should be a part of the solution in prioritizing access for farmers that are committed to sustainably producing food for local consumption.
- The state audit found that the ADC was lacking in deep agricultural expertise. The ADC should seek to increase the agricultural expertise on its board and staff through its strategic planning process. According to James Nakatani, the Executive Director of the ADC, “no one [at the agency] has a deep agricultural background.”

- Despite being required by statute, the ADC never developed an agribusiness plan for defining and establishing goals, objectives, policies, and priority guidelines. Having this plan in place would help the agency to fulfill its mission.

Given the social, political, and economic change in recent decades, the work of ADC is not well aligned with state goals. Its practices do not reflect modern knowledge about the impact of large-scale, pesticide-intensive industrial farming. The ADC should also do the following:

- No land within the corporation's inventory shall be leased or licensed to any agricultural operation that meets the regulatory definition of a concentrated animal feeding operation as defined by the United States Environmental Protection Agency regulations pursuant to title 40 Code of Federal Regulation section 122.23.
- The corporation shall test the soils of all lands it leases or licenses prior to occupancy.
- All leases of lands under the corporation's direct or indirect control shall contain provisions requiring that prior to the expiration of the lease or the lessee's or licensee's vacating of the leased property, the lessee or licensee shall procure the service of an independent third party to test the soils and remove any and all contaminants above the levels existing at the commencement of the lease or license term.

Support HB2418 HD2 with ammendments!

me ke aloha ‘āina,

Nanea Lo