

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
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DEPARTMENT OF BUDGET AND FINANCE
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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 HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 2056, S.D. 1, H.D. 1

March 31, 2022
1:30 p.m.
Room 308 and Videoconference

RELATING TO SOIL CLASSIFICATIONS

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

Senate Bill No. 2056, S.D. 1, H.D. 1, requires the Office of Planning and Sustainable Development (OPSD), in cooperation with the Department of Agriculture and the Land Use Commission, to conduct a study of the suitability of soil classification systems used to regulate agricultural lands in the State; requires OPSD to submit a report to the Legislature; and appropriates an unspecified amount of general funds for FY 23 to conduct the study.

B&F notes that, with respect to the general fund appropriation 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

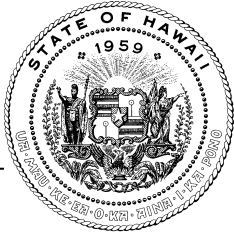
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

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.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

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Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON FINANCE

Thursday, March 31, 2022
1:30 PM

State Capitol, Conference Room 308 & Videoconference

**SUPPORT
SB 2056, SD1, HD1
RELATING TO SOIL CLASSIFICATIONS.**

Chair Luke, Vice Chair Yamashita, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 2056, SD1, HD1, which requires the Office of Planning and Sustainable Development in cooperation with the Department of Agriculture and Land Use Commission to conduct a study of the suitability of soil classification systems for the regulation of agricultural lands, requires a report to the Legislature, and appropriates funds.

HSEO agrees the land study bureau (LSB) system may no longer be appropriate to guide Hawai'i's food, agricultural, and energy goals. Further, the bill references the U.S. Department of Agriculture's national soil classification system as an example of other methods that can be used to classify agricultural soils more appropriately.

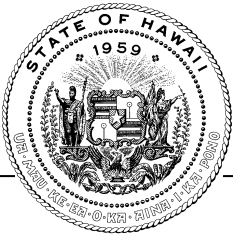
Current state law (sections 205-2 and 205-4.5, Hawai'i Revised Statutes) directs the permissibility of solar energy projects on Agricultural land based on the land's LSB rating. However, in some cases the practical use of the lands for agriculture, or co-location of crops or livestock with solar energy projects, is greater or less than indicated by the soils alone. For example, although the soils in one area may have a productivity rating that is higher than another area the availability or lack of irrigation water may

encourage or constrain the actual productivities of the various sites. The degree to which these factors are captured (or not) in the current system deserves review.

Therefore, HSEO believes that a study of the suitability of soil classification systems for the regulation of agricultural lands would contribute to a better understanding of Hawai'i's agricultural lands, systems, potential, and needs.

HSEO defers to the appropriate agency for administration and fiscal matters.

Thank you for the opportunity to testify.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS
Director, Office of Planning and Sustainable Development
before the
HOUSE COMMITTEE ON FINANCE
Thursday, March 31, 2022
1:30 PM
State Capitol, Conference Room 308 & via Videoconference

in consideration of
SB 2056 SD1 HD1
RELATING TO SOIL CLASSIFICATIONS.

Chair Luke, Vice Chair Yamashita, and Members of the House Committee on Finance.

The Office of Planning and Sustainable Development (OPSD) **strongly supports** SB 2056 SD1 HD1. This measure would appropriate funds and require OPSD, in cooperation with the Department of Agriculture and the Land Use Commission, to conduct a study of the different agricultural rating systems, including the Land Study Bureau productivity rating system, the United States Department of Agriculture (USDA) soil inventory and other relevant soils rating systems, and determine recommendations for the use of soil classification systems for the regulation of agricultural lands in the State.

OPSD believes that a review of the soils rating system is timely and would help to assure that the administration and regulation by State and counties preserve the ‘best’ agricultural lands. This would help to meet the State’s food sustainability goals and to enhance meeting current challenges in agricultural land usage and cultivation by helping to preserve the best agricultural lands in the State for future generations.

OPSD recommends that \$350,000 be appropriated to undertake this soil classifications study, provided that such funding does not replace or adversely affect priorities indicated in the Executive Budget. This would include review of existing and prospective soils rating systems, GIS mapping and analysis, consultation with agencies, agricultural and public interest stakeholders, and developing recommendations for needed operational and statutory revisions and actions.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

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

BEFORE THE HOUSE COMMITTEE ON FINANCE

**THURSDAY, MARCH 31, 2022
1:30 P.M.
VIA VIDEOCONFERENCE**

**SENATE BILL NO. 2056, SD1, HD1
RELATING TO SOIL CLASSIFICATIONS**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2056 SD1 HD1 that requires the Office of Planning and Sustainable Development (OP/SD) to conduct a study of the suitability of the State's current soil rating system as developed by the Land Study Bureau. In conducting the study, OP/SD will cooperate with the Department of Agriculture and the Land Use Commission and request the assistance of the University of Hawaii College of Tropical Agriculture and Human Resources, and the U. S. Department of Agriculture. There is an appropriation, and a report is required prior to the 2024 legislative session.

The Department supports this measure and otherwise defers to OP/SD. We look forward to cooperating in a comprehensive review of soil quality indexes such as the Land Study Bureau which have significant roles in land use regulation, identifying what agricultural production resources need to be protected, and help to optimize public and private investments that support food sustainability and overall local agricultural production.



Thank you for the opportunity to comment on this important measure.



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Aloha Chair Luke, Vice Chair Yamashita, and Members of the House Finance Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. As this bill notes, the existing Land Study Bureau productivity classifications are 50 years old. Due to their critical importance in state and county land use decisions an update is well overdue for an update. For these reasons **HFUU strongly supports SB2056 and seeks an amendment to ensure the study considers multifunctional land use (MLU) classification approaches.**

Previous update efforts, such as [HB1120 \(2014\)](#), sought also to assess 'potential alternative systems of classifying and regulating agricultural lands'. As written SB2056 will require study of the suitability of 'other soil classification systems' but does not provide direction on the type of systems to consider. **HFUU seeks the following amendment to direct study towards systems that focus on MLU:**

Amendment 1: Page 2, lines 14-21:

(1) Require the office of planning and sustainable development to conduct a study of the suitability of the land study bureau soil overall (master) productivity rating system and other soil classification systems in the regulation of agricultural lands in the State and make recommendations for the use of soil classification systems for multifunctional agricultural land use regulation; and

Beyond soil capacity for agricultural output alone, a robust approach needs to consider the land use potential for myriad functions, inter alia, native forest barriers, hydrological impacts and riparian buffers, community firebreaks, etc. Assessment that considers these facets will further the capacity of land use decision-making to weigh social, environmental, and economic outcomes and goals.

An MLU focused update to our land use considerations would provide a more robust means to inform state land acquisition and leasing that can weigh the values of a proposed private use against manifold public benefits. In short, to persevere and maintain our working lands, we need mechanisms that consider not just productive capacity but the potential outcomes of use. Leasing state lands for the agricultural equivalent of strip-mining reduces our collective capacity to meet our articulated food self-sufficiency goals.

Mahalo for the opportunity to testify.
Vincent Mina President HFUU/HFUF



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March 31, 2022

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON SB 2056, SD1, HD1
RELATING TO SOIL CLASSIFICATION

Room 308 & Videoconference
1:30 PM

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

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

The Hawai'i Farm Bureau supports SB 2056, SD1, HD1, which requires the office of planning and sustainable development, in cooperation with the department of agriculture and land use commission, to conduct a study of the suitability of soil classification systems for the regulation of agricultural lands.

HFB recognizes and supports the need to review our current soil classification system. We also recognize that in the land category system used today, agriculture was originally the catchall land classification and that some lands included within the agricultural district were not necessarily considered optimal for agriculture. However, agriculture has significantly evolved. Soil classification is no longer the determinant of land good for agriculture. Greenhouses, hydroponics, aquaculture, and aquaponics are just a few of the many types of agriculture that can occur on *all* classes of land (A, B, C, D, E). Some of the best floriculture and hydroponic operations in Hawai'i are on C, D, and E lands. The total environment, including rainfall amount and timing, day and night-time temperatures, wind, and humidity each contribute to whether a particular region is suitable for a specific crop. In many cases, the soil type and even the existing terrain are not determinative of whether farming can exist and thrive.

Thank you for the opportunity to provide testimony on this measure.

SB-2056-HD-1

Submitted on: 3/30/2022 9:16:50 AM

Testimony for FIN on 3/31/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
James Stolte	Individual	Support	Written Testimony Only

Comments:

I supports this program as means to support small and family farmers as well as any producer seeking to support their soil health. By reimbursing up to 75 cents per cost to farming operations in the state for the acquisition of cover crop seeds, green manure, or compost, farmers can better produce quality crops and soil.

Mahalo for the opportunity to testify.

James Stolte

Farmer, Hana, HI

SB-2056-HD-1

Submitted on: 3/30/2022 10:27:59 AM

Testimony for FIN on 3/31/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Stover	Individual	Support	Written Testimony Only

Comments:

Sustainability of Hawaii's food starts at the soil. Mahalo

SB-2056-HD-1

Submitted on: 3/30/2022 6:51:44 PM

Testimony for FIN on 3/31/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Boudreaux	Individual	Support	Written Testimony Only

Comments:

It is blatantly obvious that this bill needs to be past. The fonly statewide soil mapping, classification, and characterization study was conducted over fifty years ago. At that time sugar cane and pinapple dominated the agricultural landscape. This classification system is no longer applicable and needs to reflect Hawaii's current agricultural climate of diversity.

SB-2056-HD-1

Submitted on: 3/31/2022 9:30:32 AM

Testimony for FIN on 3/31/2022 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Dennis F Lokmer	Individual	Support	Written Testimony Only

Comments:

I urge strong support for this bill.