

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

**DAVID Y. IGE**  
GOVERNOR

**MARY ALICE EVANS**  
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Coastal Zone  
Management  
Program

Environmental Review  
Program

Land Use Commission

Land Use Division

Special Plans Branch

State Transit-Oriented  
Development

Statewide Geographic  
Information System

Statewide  
Sustainability Branch

Statement of  
**MARY ALICE EVANS**  
Director, Office of Planning and Sustainable Development  
before the  
**SENATE COMMITTEE ON WATER AND LAND**  
Friday, February 4, 2022  
1:15 PM  
State Capitol, Conference Room 229

in consideration of  
**SB 2766**  
**RELATING TO LAND USE.**

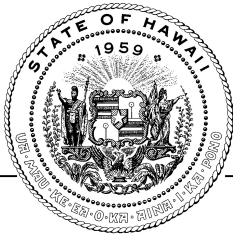
Chair Inouye, Vice Chair Keith-Agaran, and Members of the Senate  
Committee on Water and Land.

The Office of Planning and Sustainable Development (OPSD)  
SB 2766 which requires the OPSD to perform a study to refine Rural District  
policies and make recommendations to facilitate the reclassification of lands  
from the State Agricultural District to the Rural District.

The Act 278 Subdivision and CPR on Agricultural Lands stakeholders  
group which was authorized by the Legislature in 2019 concluded its meetings  
this past year. During the discussions, many members expressed the need to  
make better use of the State Rural District. Currently, there are only 10,454 acres  
in the Rural District, amounting to only 0.3 percent of all lands in the State, and  
there are no Rural District lands on Oahu. A subsequent meeting with the county  
planning departments confirmed this need.

Greater use of the Rural District would distinguish rural communities and  
subsistence farms from working or commercial agricultural lands and allow  
better protection of productive agricultural lands. Redefinition and expansion of  
the Rural District would promote better land use management of existing rural  
settlements and rural centers and residential dwellings engaged in subsistence or  
family agriculture, which are not explicitly permitted in the Agricultural District.

Thank you for the opportunity to testify on this measure.



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in consideration of  
**SB 2766**  
**RELATING TO LAND USE.**

Chair Inouye, Vice Chair Keith-Agaran, and Members of the Senate  
Committee on Water and Land.

The Office of Planning and Sustainable Development (OPSD) **strongly supports** SB 2766 which requires the OPSD to perform a study to refine Rural District policies and make recommendations to facilitate the reclassification of lands from the State Agricultural District to the Rural District.

The Act 278 Subdivision and CPR on Agricultural Lands stakeholders group which was authorized by the Legislature in 2019 concluded its meetings this past year. During the discussions, many members expressed the need to make better use of the State Rural District. Currently, there are only 10,454 acres in the Rural District, amounting to only 0.3 percent of all lands in the State, and there are no Rural District lands on Oahu. A subsequent meeting with the county planning departments confirmed this need.

Greater use of the Rural District would distinguish rural communities and subsistence farms from working or commercial agricultural lands and allow better protection of productive agricultural lands. Redefinition and expansion of the Rural District would promote better land use management of existing rural settlements and rural centers and residential dwellings engaged in subsistence or family agriculture, which are not explicitly permitted in the Agricultural District.

Thank you for the opportunity to testify on this measure.

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 WATER AND LAND  
ON  
SENATE BILL NO. 2766

**February 4, 2022**  
**1:15 p.m.**  
**Room 229 and Videoconference**

RELATING TO LAND USE

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

Senate Bill No. 2766 requires the Office of Planning and Sustainable Development (OPSD) to conduct a study to refine rural district policies and make recommendations to facilitate the reclassification of lands from the agricultural district to the rural district; requires OPSD to provide a report to the Legislature; and appropriates \$250,000 in 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.

**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 SENATE COMMITTEE ON WATER AND LAND**

**FRIDAY, FEBRUARY 4, 2022  
1:15 P.M.  
VIA VIDEOCONFERENCE**

**SENATE BILL NO. 2766  
RELATING TO LAND USE**

Chairperson Inouye and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 2766 that requires the Office of Planning and Sustainable Development to perform a study to refine Rural District policies and make recommendations to facilitate the reclassification of lands from the Agricultural District to the Rural District.

The Department of Agriculture supports this measure that seeks to enable better protection of productive agricultural lands from “lifestyle farms” and rural-like community development. We look forward to assisting the Office of Planning and Sustainable Development in undertaking this important study.

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



**SB-2766**

Submitted on: 2/3/2022 12:08:38 PM

Testimony for WTL on 2/4/2022 1:15:00 PM

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

Comments:

I am available to answer questions on behalf of the Department of Agriculture