

**JOSH GREEN, M.D.**  
Governor

**SYLVIA LUKE**  
Lt. Governor



**SHARON HURD**  
Chairperson, Board of Agriculture

**MORRIS M. ATTA**  
Deputy to the Chairperson

State of Hawai'i  
**DEPARTMENT OF AGRICULTURE**  
KA 'OIHANA MAHI'AI  
1428 South King Street  
Honolulu, Hawai'i 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF SHARON HURD  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE  
COMMITTEE ON AGRICULTURE AND ENVIRONMENT  
AND  
COMMITTEE ON WATER AND LAND**

**JANUARY 30, 2023  
1:00 PM  
CONFERENCE ROOM 224  
& VIDEO CONFERENCE**

**SENATE BILL NO. 73  
RELATING TO AGRICULTURAL PARK LEASES**

Chairpersons Gabbard and Inouye and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill 73. This bill allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand. The Department offers comments.

HDOA appreciates the plight of lessees nearing the termination dates of their lease, however, it is our understanding that there is a public policy against allowing individual private interests to exclusively occupy, use, and benefit from public lands for durations exceeding statutory limits or indefinitely. We understand the intent of this policy is to provide other members of the public without a State lease, a fair and equal opportunity to seek and enjoy that public benefit. Maximizing the opportunity to lease public lands under favorable conditions to the greatest number of applicants supports the growth of new farmers and incentivizes established farming operations with proven agricultural capabilities



and economic viability to scale up and expand their operations on to other properties as part of their business growth strategy. HDOA understands and appreciates the intent of this bill to support and encourage the ongoing viability of agricultural operations, often referred to as “legacy farms,” to continue without disruption to maximize the uninterrupted local production of agricultural goods and food. Concurrently, there is a pressing need to increase the number of farmers statewide to realistically achieve the level of farming necessary to meet the State’s goals for food security and sustainability. The single most insurmountable hurdle for most new and beginning farmers seeking to start a farm is the lack of available, appropriately sized, and reasonably priced agricultural lands suitable for farming. Our lands are among the most affordable in the State for agricultural use, making it ideal for incubator and start-up operations.

Without a clear maximum term established by statute, the lease extension provided by the bill could potentially allow lessees to effectively remain on the land indefinitely, through consecutive extensions and preclude others from the same opportunity to lease public lands. There is nothing preventing a current lessee from applying for a new lease for either the same or other available parcel upon expiration of the current one. The HDOA maintains a list of interested farmers seeking to lease Department managed state lands and this list is culled every two years. There are currently 243 people on this list, which indicates the high level of interest in our lands. Potential lessees in this program know upfront that their use of the land cannot exceed fifty-five years. By requiring a business plan for new leases, we encourage lessees to rely on sound business practices to plan ahead for the anticipated and known eventual termination and seek alternate lands if continuation or expansion of their farming operations is contemplated, or desired.

If this body desires a change to the public lease policy, we respectfully request that the change and intent be included in this bills preamble.

Thank you for the opportunity to testify on this measure.



January 27, 2023

Senator Mike Gabbard, Chair  
Senator Herbert M. “Tim” Richards III, Vice Chair  
Senate Committee on Agriculture and Environment

Senator Lorraine R. Inouye, Chair  
Senator Brandon J.C. Elefante, Vice Chair  
Senate Committee on Water and Land

**Testimony in Support of SB 73, Relating to Agricultural Park Leases (Allows the Department of Agriculture [DOA] to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.)**

**Monday, January 30, 2023, 1:00 p.m.; State Capitol Conference Room 224 & Videoconference**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF’s mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii’s significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of SB 73** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

**SB 73.** The purpose of this bill is to allow the DOA to extend the lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

**LURF’s Position.** LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future.

Agricultural production in Hawaii is reliant upon and furthered by the leasing of public lands, which makes it feasible for agricultural stakeholders to successfully fulfill the food production needs of the State.

LURF supports SB 73 because the measure makes a significant effort to advance and facilitate the leasing of agricultural lands. By recognizing the significance of all agricultural lessees that safeguard their leased lands and uphold their leases in good standing, and by identifying the need to assist the local agriculture industry and implement measures which help to support the viability and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports SB 73**, and respectfully urges your favorable consideration of this measure.

Thank you for the opportunity to present testimony regarding this matter.



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

January 30, 2023

HEARING BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT  
SENATE COMMITTEE ON WATER AND LAND

**TESTIMONY ON SB 73**  
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 224 & Videoconference  
1:00 PM

Aloha Chairs Gabbard and Inouye, Vice-Chairs Richards and Elefante, and Members of the Committees:

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 73**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.



**SB73**  
**RELATING TO AGRICULTURAL PARK LEASES**  
Senate Committee on Agriculture and Environment  
Senate Committee on Water and Land

January 30, 2023

1:00 PM

Room 224

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The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on **SB73**, which would allow the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less, on land that is twenty-five acres or less in size, and located in a county with a population of less than five hundred thousand.

OHA wishes to emphasize that the Crown and Government lands of the Hawaiian Kingdom, often referred to as “Ceded Lands” of the Public Land Trust corpus, are continuously held in trust for the betterment of the conditions of Native Hawaiians.<sup>1</sup> In addition to its codification within the Hawai‘i Admissions Act, lawmakers sought to ensure the continuous uplifting of Native Hawaiian socio-economic status through the creation of OHA and the enacting of these principles into State law.<sup>2</sup> OHA serves as the principal public agency of the State responsible for the programs and activities of Native Hawaiians,<sup>3</sup> whose well-being is often positively impacted by the programs and services funded by revenue from the public land trust.

**While OHA is and will continue to be a staunch advocate for agricultural producers, many of whom are Native Hawaiian hānai ‘ai (food-producer practitioners), we are concerned that the proposed measure, as written, would allow for perpetual leases of agricultural lands, effectively putting public lands into private ownership and control, contrary to the public interest and the purposes of the Public Land Trust.** Certain lands within the stewardship of the State of Hawai‘i Department of Agriculture are public land trust lands, and the continual long-term renewal of leases tied to these lands will bind them to uses that do not maximize the benefit to OHA’s beneficiaries – the Native Hawaiian people – and may ultimately result in the alienation of these lands. For these reasons, OHA offers the following amendments to this measure, which would ensure that OHA’s concerns for the betterment of conditions of Native Hawaiians is being met:

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<sup>1</sup> Pub. L. 86-3, 73 Stat. 4; Hawai‘i Admissions Act of 1959.

<sup>2</sup> HRS §10-3.

<sup>3</sup> Id.



**SB73**  
RELATING TO AGRICULTURAL PARK LEASES  
Senate Committee on Agriculture and Environment  
Senate Committee on Water and Land

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(d) Notwithstanding any other law to the contrary, if any lessee holds a lease having a remaining term of fifteen years or less, the department may extend the term of the lease for an additional thirty years; provided that the land covered by the lease is:

- (1) Twenty-five acres or less;
- (2) Located in a county with a population of less than five hundred thousand, and
- (3) Does not constitute public land trust lands.

OHA appreciates the opportunity to provide comments on this measure and respectfully asks that the Committees **accept our recommendation to improve SB73**. Mahalo nui loa.



# HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of SB73  
Relating to Agricultural Park Leases

Senate Committees on Agriculture/Environment and Water/Land

Date: Monday, January 30, 2023  
Time: 1:00 PM  
Place: Conference Room 224

Aloha Chairs Gabbard and Inouye, Vice Chairs Richards and Elefante, and Members of the Committees:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of SB73**, which allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less, provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

Many agricultural park lessees have the desire to invest capital into infrastructure and operational improvements, but the uncertainty of whether their lease term will be extended as it nears its expiration is a disincentive for them to finance these enhancements. Additionally, much of the uncertainty impacts our most experienced, successful local farmers and those are potential losses our industry cannot afford to incur.

Mahalo for the opportunity to testify in support and we urge you to pass this measure.

*The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.*





COMMITTEE ON AGRICULTURE AND  
ENVIRONMENT  
Senator Mike Gabbard, Chair  
Senator Herbert M. "Tim" Richards, III, Vice Chair

COMMITTEE ON WATER AND LAND  
Senator Lorraine R. Inouye, Chair  
Senator Brandon J.C. Elefante, Vice Chair

**SB73**  
RELATING TO AGRICULTURAL PARK LEASES

Monday, January 30, 2023, 1:00 PM  
Conference Room 224 & Videoconference

Chair Gabbard, Vice Chair Richards III, and Members of the Committee,

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

The Hawaii Cattlemen's Council **supports SB73** which allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

If a leaseholder is utilizing the land for the leased purpose of agriculture and on good terms, we support the opportunity to extend the lease when there are less than fifteen years remaining on the lease. Farmers and ranchers need to make costly investments to the lease in order to successfully operate their businesses. Allowing for lease extensions gives the leaseholder confidence that they'll be able to continue utilizing their investment. These investments in water systems, infrastructure, and land stewardship are beneficial to the leaseholder, the surrounding community, and the State. Without the ability to extend, a prudent farmer would resist making these investments in the waning years of their lease. It is imperative that we allow lands in current agricultural production to continue to produce and succeed. Protecting agricultural lands from being used for purposes other than agriculture is a key step in increasing food production, and this measure will support the continuation of agricultural operations.

We appreciate the opportunity to testify on this measure.

Nicole Galase  
Hawaii Cattlemen's Council

