

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



WENDY L. GADY
Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
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**TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

Friday, March 1, 2024
9:55 a.m.

Conference Room 211 & Videoconference

**SENATE BILL NO. 2814
RELATING TO WATER INFRASTRUCTURE**

Chairperson Dela Cruz, Vice Chair Moriwake, and Members of the Committee:

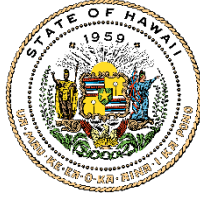
Thank you for the opportunity to testify in support of Senate Bill No. 2814, which directs the Department of Agriculture (HDOA), in collaboration with the Agribusiness Development Corporation (ADC) and the counties, to conduct a water infrastructure study for the State of Hawaii.

ADC supports the Legislature's intent to inventory and assess the current condition of the state's water infrastructure. Water is an essential input for agricultural production and the infrastructure necessary to manage water resources and provide water services plays an important role in food security.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. Thank you for your consideration of our testimony.

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
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FIRST DEPUTY
DEAN D. UYENO
ACTING DEPUTY DIRECTOR - WATER
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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COMMISSION ON WATER RESOURCE
MANAGEMENT
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FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Friday, March 1, 2024
9:55 AM

State Capitol, Conference Room 211 & Videoconference

In consideration of
SENATE BILL 2814
RELATING TO WATER INFRASTRUCTURE

Senate Bill 2814 directs the Department of Agriculture, in collaboration with the Agribusiness Development Corporation and the counties, to conduct a water infrastructure study for the State of Hawai'i and appropriates funds for this study. **The Department of Land and Natural Resources (Department) offers comments on this measure.**

The Department notes that §174C-31(e), Hawai'i Revised Statutes (HRS), directs the Department of Agriculture to prepare a State Agricultural Water Use and Development Plan (AWUDP) which shall include but not be limited to a master inventory plan that includes the following elements:

- (1) Inventory public and private irrigation water systems;
- (2) Identify the extent of rehabilitation needed for each system;
- (3) Identify source of water used by agricultural operations and particularly those on lands identified and designated as important agricultural lands under part III of chapter 205, HRS;
- (4) Identify current and future water needs for agricultural operations and particularly those on lands identified and designated as important agricultural lands under part III of chapter 205, HRS;
- (5) Subsidize the cost of repair and maintenance of the systems;
- (6) Establish criteria to prioritize the rehabilitation of the systems;
- (7) Develop a five-year program to repair the systems; and
- (8) Set up a long-range plan to manage the systems.

If the intent of the Legislature is to conduct a study for *agricultural* water infrastructure in the State of Hawaii, the elements of the AWUDP described above would fulfill the objectives described in this bill, except for the requirement to develop a tracking system to report future infrastructure needs. The AWUDP does not include any non-agricultural water infrastructure. The Department of Agriculture completed its revised AWUDP in 2021. The Commission on Water Resource Management (Commission) has not adopted or approved this version of the AWUDP and has been working with the Department of Agriculture to bring the AWUDP before the Commission for adoption.

Mahalo for the opportunity to comment on this measure.



Email: communications@ulupono.com

SENATE COMMITTEE ON WAYS & MEANS
Friday, March 1, 2024 — 9:55 a.m.

Ulupono Initiative supports SB 2814, Relating to Water Infrastructure.

Dear Chair Dela Cruz and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy, clean transportation choices, and better management of freshwater resources.

Ulupono supports SB 2814, which directs the Department of Agriculture (DOA), in collaboration with the Agribusiness Development Corporation (ADC) and the counties, to conduct a water infrastructure study for the State of Hawai'i.

Ulupono supports funding for critical agricultural infrastructure across Hawai'i, much of which resides within the management of the Department of Agriculture (DOA) and the Agribusiness Development Corporation (ADC), the State's two entities tasked with agricultural infrastructure management and development. This bill seeks to take inventory of the agricultural water infrastructure needs of the State, similar to the efforts to develop the Agricultural Water Use and Development Plan of 2019.¹ Additionally, we would like to note that SB 2932 identifies the current state agricultural water infrastructure needs for both DOA and ADC.

From 2020 to 2023, Ulupono Initiative actively engaged with agricultural stakeholders across the state seeking to understand the greatest needs of the industry and how best to coordinate funding and resources toward those needs. In most cases, local producers identified access to affordable, reliable water resources as a top issue that will determine the success and financial viability of their operations. This measure presents a singular opportunity to meet those needs of our hard-working, local farmers and ranchers with dedicated state resources, and to directly support the State's local food production goals.

If we are serious about the future of our state's agriculture, key ag water infrastructure investments are needed, and they are needed **now**.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata
Director of Government Affairs

¹ https://files.hawaii.gov/dlnr/cwrm/planning/awudp2019update/AWUDP_2019.pdf



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March 1, 2024

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS

TESTIMONY ON SB 2814
RELATING TO WATER INFRASTRUCTURE

Conference Room 211 & Videoconference
9:55 AM

Aloha Chair Dela Cruz, Vice-Chair Moriwaki, 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 2814, which directs the Department of Agriculture, in collaboration with the Agribusiness Development Corporation and the counties, to conduct a water infrastructure study for the State of Hawai'i.

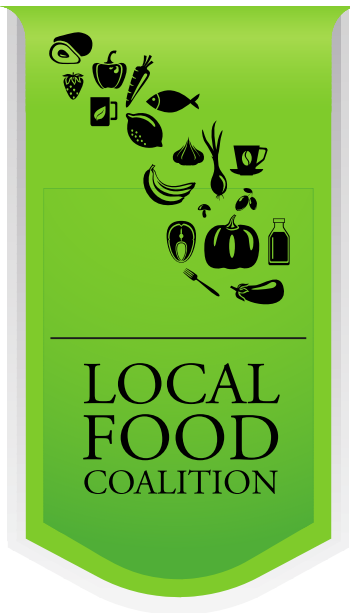
Land cannot support agriculture without adequate, economical water resources. Water is a basic necessity for farmers and ranchers to maintain and expand their production. The reliability of water is essential for our farmers and ranchers to grow crops and raise livestock efficiently.

There is a need for an efficient and equitable state policy for agricultural water. The profitability of existing enterprises as well as future expansion and success of the agricultural industry rely on adequate sources of water suitable for irrigation and the allocation of that water at reasonable rates. Water development programs within the state must be planned with due consideration for actual and potential agricultural development. Similarly, water regulations in the state should support existing and potential agricultural development. There should be a balance between environmental interests and economic benefits.

Data is needed to help develop new sources and distribution systems and to maintain the existing systems. Water maintenance and development have high capital costs and risks. Joint private-public development of water sources to serve agricultural production on adjacent and/or contiguous state and privately owned lands suited for agriculture should be encouraged.

The Legislature continues to advocate for increased self-sufficiency and sustainability. Agriculture must play a key role in the process and for there to be agriculture, water is essential.

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



SENATE COMMITTEE ON WAYS AND MEANS
Friday, March 1, 2024 – 9:55 a.m.
Conference Room 211 & Videoconference

SB 2814 – RELATING TO WATER INFRASTRUCTURE
SUPPORT

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Hawai'i Aquaculture & Aquaponics Association
Hawai'i Cattlemen's Council
Hawai'i Farm Bureau Federation
Hawai'i Farmers' Union United
Hawai'i Food Industry Association
Hawai'i Food Manufacturers Association
Kohala Center
Land Use Research Foundation of Hawai'i
Maui Farm to School Network (Maui F2SN)
Ulupono Initiative
College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa

The Local Food Coalition **SUPPORTS** SB 2814, which directs the Department of Agriculture, in collaboration with the Agribusiness Development Corporation and the counties, to conduct a water infrastructure study for the State of Hawaii and requires a report to the Legislature.

Water is a vital and necessary resource for the agricultural industry. To achieve the state's goal of increasing local food production and reducing our reliance on imports, our ranchers and farmers must have reliable access to this valuable resource.

Creating a complete inventory and comprehensive database will help the state to better track, manage and properly maintain water infrastructure and irrigation systems across the state to ensure that our most valuable resource will be available for our farmers and ranchers now and in the future.

The Local Food Coalition is an organization comprised of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

Thank you for the opportunity to submit testimony in support of SB 2814.



HAWAI'I COMMUNITY
FOUNDATION

To: The Honorable Donovan Dela Cruz, Chair
The Honorable Sharon Moriwaki, Vice Chair
And Members of the Senate Committee on Ways and Means

From: Micah Kāne, Chief Executive Officer & President
Hawai'i Community Foundation

Testimony in Support of SB2814, Relating to Water Infrastructure

Date: Friday, March 1, 2024

Time: 9:55 A.M.

Place: Via Conference Room 211

The Hawaii Community Foundation (HCF) supports SB2814, which directs the Department of Agriculture, in collaboration with the Agribusiness Development Corporation and the counties, to conduct a water infrastructure study for the State of Hawaii.

Studies have shown that Hawaii has seen an 18% reduction in rainfall from 1978 to 2007. Reduced precipitation, rising populations, and increased development of our land is making Hawaii's water security more vulnerable than ever. Hawaii Community Foundation has been a continued supporter and convener of Hawaii's Fresh Water Initiative, which is dedicated to increasing water security throughout the islands through initiatives and policies in water reuse, conservation, and recharge.

We respectfully request you to consider providing more funding for this study as the systems are complex and have many parties involved. This water infrastructure study for agriculture for the State of Hawaii could go a long way towards identifying and implementing water reuse projects statewide, helping to secure our fresh water for future generations.

Thank you for this opportunity to testify in support of SB2814.