

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



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Executive Director

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION

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TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Wednesday, February 8, 2023
1:00 p.m.

Via Videoconference
Conference Room 224

SENATE BILL NO. 836
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

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

Thank you for the opportunity to testify on Senate Bill No. 836 relating to the Agribusiness Development Corporation (ADC). ADC supports this measure, which authorizes ADC to acquire property through condemnation.

Land is the basis for agriculture and is a necessary component to achieve thriving. We support the idea of acquiring property through condemnation pursuant to Chapter 101, HRS because it provides ADC with another tool to promote agriculture. Properties that may be acquired through condemnation include croplands, infrastructure, and facilities that could potentially foster economic development for the public's benefit.

Thank you for your consideration of our testimony.



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February 8, 2023

HEARING BEFORE THE
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

TESTIMONY ON SB 836
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Conference Room 224 & Videoconference
1:00 PM

Aloha Chair Gabbard, Vice-Chair Richards, 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 836, which authorizes the Agribusiness Development Corporation to acquire property through condemnation.

The Agribusiness Development Corporation (ADC) 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 ag 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 is also providing even more opportunities for farmers with its acquisition and management of thousands of acres of land in central Oahu.

HFB believes that in order for agriculture to flourish in Hawai'i and reach its full potential, land availability, and long-term leases at affordable and predictable lease rental rates are

critical. Authorizing ADC to acquire property by condemnation will significantly increase the available agricultural land under the State's control and will provide farmers with long-term leases that will enhance the economic viability of Hawai'i's agriculture industry.

We believe this is an opportunity to further support and expand the state's ability to provide agricultural lands for farmers, which is consistent with the State's goal of increasing self-sufficiency and sustainability.

Thank you for the opportunity to testify in support of this measure.

SB-836

Submitted on: 2/7/2023 2:55:09 PM

Testimony for AEN on 2/8/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William W. Steiner	Testifying for Pacific Agricultural Land Management Systems	Comments	Written Testimony Only

Comments:

Pacific Agricultural Lands Management Systems (PALMS) believes SB386 to be mostly a sound bill but stands in opposition to Section 1 (7) allowing acquisition of property by condemnation. There are several reasons: First the ADC has not demonstrated adequate management of the land it currently controls and till this is done by an established benchmark no new lands should be allowed to bear condemnation for acquisition by the ADC. Second, ADC is a management agency and is not in the business of acquiring land for any other reason such as building a road or even a ditch; that should be up to a lessee willing to invest funds for such. Third, the great sum of land held in government hands means removing privately held lands reduces the public ability to own. Finally, this section (7) appears to be added after generation of the original; was this done without proper input and discussion?