

STAND. COM. REP. NO. 1757-24

Honolulu, Hawaii

MAR 25 , 2024

RE: H.C.R. No. 23

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred H.C.R. No. 23 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF AGRICULTURE TO CONDUCT A STUDY ON THE PERCENTAGES OF AGRICULTURAL LANDS BEING LEASED BY THE STATE THAT ARE SUITABLE FOR FARMING AND ACTIVELY BEING USED FOR FARMING PURPOSES AND CERTAIN DOLLAR AMOUNTS RELATING TO LEASE TRANSFERS,"

begs leave to report as follows:

The purpose of this measure is to request the Board of Agriculture to:

- (1) Conduct a study to determine the percentages of agricultural lands being leased by the State that are suitable for farming and are actively being used for farming purposes; and
- (2) Determine the dollar amounts of lease rent, cost of infrastructure improvements made by the original lessee, sum paid by the purchaser of the remainder of the lease, and amount from the sum paid by the purchaser that goes to the State; and

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- (3) Submit a report of its finds and recommendations, including and proposed legislation, to the Legislature, prior to the Regular Session of 2025.

Your Committee received testimony in support of this measure from two individuals. Your Committee received opposition from the Department of Agriculture.

Your Committee finds that the State provides agricultural leases at below market rates to bolster local food production, and that some of these leases are being used primarily as residences or non-agricultural businesses, left unused for food production. Your Committee further finds that lessees in high-demand locations can transfer the remainder of their lease to the highest bidder, often converting their lease into a substantial profit above and beyond their investments into the property. This measure asks the Board of Agriculture to conduct a study to better understand the severity and scope of agricultural leases being used in this way, to pave the way for future legislation to provide a possible remedy for this issue.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 23 and recommends that it be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture & Food  
Systems,



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CEDRIC ASUEGA GATES, Chair



