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

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ÄINA





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

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the House Committee on WATER AND LAND

Tuesday, February 13, 2024 10:30 AM State Capitol, Conference Room 430 and Via Videoconference

In consideration of HOUSE BILL 2505 RELATING TO LAND USE

House Bill 2505 proposes to increase the fines for violations of land use laws and imposes enhanced fines for developers and owners of important agricultural lands who repeatedly use the lands for unintended purposes. The Department of Land and Natural Resources (Department) supports this measure.

Over 25% of the lands in the state are covered in flammable, nonnative grasses, and much of these lands are fallow agricultural lands. Many agricultural landowners in the state are not actively farming or ranching these lands which leads to abundant hazardous fuel loads that threaten adjacent communities and forested watersheds.

Mahalo for the opportunity to provide testimony in support of this measure.

DAWN N.S. CHANG CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> RYAN K.P. KANAKA'OLE FIRST DEPUTY

DEAN D. UYENO ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

DEXTER KISHIDA 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 HOUSE COMMITTEE ON WATER AND LAND

TUESDAY, FEBRUARY 13, 2024 10:30 AM CONFERENCE ROOM 430

HOUSES BILL NO. 2505 RELATING TO LAND USE

Chair Ichiyama, Vice Chair Poepoe and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2505 that increases the existing fines for violations of Chapter 205 or any related rule and enhances fines for developers and owners of designated Important Agricultural Lands (IAL) who repeatedly use these lands for purposes violative of the IAL law (Chapter 205, Part III). The bill speculates that there may be individuals who "abuse the important agricultural land designation system for its incentives" by using their designated IAL lands "for unintended purposes" (page 2, lines 9-12).

The IAL Law does not add another regulatory layer to Chapter 205. Unlike Part I of Chapter 205, the IAL Law is meant to incentivize the existing or potential use of



agricultural lands for agricultural production. IAL designation does not prohibit the landowner or developer from seeking uses and activities permitted in Chapter 205.

The IAL incentive relating to farm dwellings and employee housing (Section 205-45.5) may be affected by this measure, but we are not aware of qualified landowners and/or developers using having used this incentive that would be administered by the applicable county.

To our knowledge, the only IAL incentive used thus far is the Qualified Agricultural Cost Tax Credit (Tax Credit) (Section 235-110.93). The Department is not aware of any owners or developers on designated IAL land improperly claiming agricultural costs.

Thank you for the opportunity to testify on this measure.



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February 13, 2024

HEARING BEFORE THE HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON HB 2505 RELATING TO LAND USE

Conference Room 430 & Videoconference 10:30 AM

Aloha Chair Ichiyama, Vice-Chair Poepoe, 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 HB 2505, which increases the fines for violations of land use laws and imposes enhanced fines for developers and owners of important agricultural lands who repeatedly use the lands for unintended purposes.

The identification and designation of Important Agricultural Lands (IAL) was first proposed at the 1978 Constitutional Convention and subsequently approved by voters in the same year. Enacted as Article XI, Section 3, of the Constitution of the State of Hawai'i, the State is required to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency, and assure the availability of agriculturally suitable lands.

Several attempts to establish IAL in statute were attempted over the years, but it was only in 2005 that Act 183 was enacted. In 2008, Act 233 was enacted to establish incentives, such as tax credits, loan guarantees, and expedited regulatory processing to encourage landowners to designate their lands as IAL.

We support the retention of agricultural lands in blocks of contiguous, intact, and functional land units large enough to allow **flexibility** in agricultural production and management and discourage the fragmentation of agricultural lands to non-agricultural uses. Lands zoned for agriculture should be used primarily for productive agricultural purposes, including family farming.

The Hawaii Farm Bureau supports policies that ensure that agricultural lands, especially IAL, are used primarily for productive agricultural purposes.

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