

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

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CHAIRPERSON
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ACTING DEPUTY DIRECTOR - WATER
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
WATER & LAND

Thursday, March 14, 2024
10:00 AM

State Capitol, Conference Room 430 & Videoconference

In consideration of
SENATE BILL 2814, SENATE DRAFT 1
RELATING TO WATER INFRASTRUCTURE

Senate Bill 2814, Senate Draft 1, 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 an unspecified amount of 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.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEXTER KISHIDA
Deputy to the Chairperson

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

BEFORE THE HOUSE COMMITTEE ON WATER AND LAND

MARCH 14, 2024
10:00 AM
CONFERENCE ROOM 430

SENATE BILL NO. 2814, SD1
RELATING TO WATER INFRASTRUCTURE

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

Thank you for the opportunity to testify on Senate Bill 2814, SD1. This bill 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. Appropriates money and declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. The Department offers comments and concerns.

This measure is a significant, large request. In order to focus the scope, the Department strongly suggests that the word "agricultural" be inserted before "water" on page 2, line 17. Additionally, due to its complexity, the short delivery time will be extraordinarily difficult, if not impossible, to meet. We anticipate a starting consultant fee of at least \$3,000,000 and a minimum time for performance of twenty-four months beginning at the receipt of the allotment. Additionally, private entities, which make up the bulk of the unknown inventory, are not mandated to work with us, nor do we have the authority to compel them to do so. Legal challenges to compel information could take years. Also, there is no law we are aware of that restricts the use of private owners



to adhere to any plans they share. Finally, once the infrastructure and improvements are identified, is it the intent of this measure to provide annual funding to address private improvements, or is it the intent to condemn all lands of interest? Proper maintenance alone could easily run into the millions of dollars per year, which would not include capital improvement costs in potentially the nine-figure range.

Thank you for the opportunity to testify.

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 HOUSE COMMITTEE ON WAYS AND MEANS

Thursday, March 14, 2024
10:00 a.m.
Conference Room 430 & Videoconference

**SENATE BILL NO. 2814 SD1
RELATING TO WATER INFRASTRUCTURE**

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

Thank you for the opportunity to testify in support of Senate Bill No. 2814 SD1, 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.



Email: communications@ulupono.com

HOUSE COMMITTEE ON WATER & LAND
Thursday, March 14, 2024 — 10:00 a.m.

Ulupono Initiative supports SB 2814 SD1, Relating to Water Infrastructure.

Dear Chair Ichiyama 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 SD1, 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 14, 2024

HEARING BEFORE THE
HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON SB 2814, SD1
RELATING TO WATER INFRASTRUCTURE

Conference Room 430 & Videoconference
10:00 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 SB 2814, SD1, 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.

SB-2814-SD-1

Submitted on: 3/11/2024 3:40:02 PM

Testimony for WAL on 3/14/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacqueline S. Ambrose	Individual	Support	Written Testimony Only

Comments:

Aloha,

Yes to directing 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. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Effective 7/1/2050