

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D.

SYLVIA LUKE LT. GOVERNOR

MARY ALICE EVANS

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Statement of MARY ALICE EVANS, Director

before the

HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

Thursday, February 20, 2025 2:00 PM State Capitol, Conference Room 325

in consideration of HB 966, HD1 RELATING TO AGRICULTURAL TOURISM.

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) offers **comments with concerns and offers amendments.** HB 966, HD1, establishes uniform agricultural tourism activity requirements applicable to all Counties to promote agricultural tourism as a supplemental revenue stream to farm operations.

OPSD strongly supports agricultural tourism as an additional source of revenue for a bona fide farming operation, as defined in Hawai'i Revised Statutes (HRS) § 165-2, and we support amendments to HRS Chapter 205 clarifying that agricultural tourism activities that are secondary and accessory to a principal farming operation may be allowed in every County. We also support the bill's provisions for County adoption of ordinances regulating agricultural tourism activities and a registration process for agricultural tourism activities that improves the Counties' ability to review whether these activities are indeed being operated by a bona fide farming operation.

1. However, OPSD has a concern with Section 2, Proposed Subsection (d). We are concerned about the provision that includes overnight accommodations as a permissible agricultural tourism use in the State Agricultural District given the Hawai'i Supreme Court's September 24, 2024 decision in Rosehill v. State of Hawaii, Land Use Commission (LUC). In its unanimous decision, the Supreme Court upheld the LUC determination that farm dwellings in the State Agricultural District cannot be used for short-term vacation rentals under HRS Chapter 205, as that would frustrate the purpose of the Agricultural District to protect agricultural lands for agricultural use and other permissible uses.

The use of farm dwellings for short-term vacation rentals (STVR) in the State Agricultural District with no association with a bona fide farming operation

HB 966, HD1 RELATING TO AGRICULTURAL TOURISM – COMMENTS W/ CONCERNS Office of Planning and Sustainable Development February 20, 2025

displaces agricultural use of the land, increases the value of agricultural land and the cost of farmland for bona fide farmers, introduces nuisance conflicts between legitimate agricultural activities and STVR occupants, and leads to the fragmentation and conversion of agricultural lands to higher-value non-agricultural uses.

<u>This policy conflict might be remedied</u> by either eliminating overnight accommodations as an accessory agricultural tourism activity <u>or</u> clarifying that overnight accommodations must be limited to a farm dwelling used by the farming operation. OPSD offers the following language to accomplish the latter:

"(d) Agricultural tourism activities may include overnight accommodations of twenty-one days or less; provided that the accommodations are situated within a lawfully permitted farm dwelling, as defined in section 205-4.5(a)(4), which is occupied by the farm owner, farmer lessee, or farm worker of a farming operation that has registered the overnight accommodations as an agricultural tourism activity with a county pursuant to this section."

- 2. Section 2, Proposed Subsections (c) and (e). OPSD strongly recommends that the County registration process in subsection (e) be amended to require additional information documenting that a principal agricultural use exists on the farming operation prior to commencement of any agricultural tourism activity (pursuant to proposed subsection (c)), as well as the submission of federal and State tax returns verifying farm income of the principal farming operation, its enrollment in a county agricultural use dedication program, and verification of county agricultural water rates if so enrolled. This would streamline the registration process and aid the Counties with enforcement of proposed agricultural tourism activities, helping to ensure that this measure only benefits bona fide farm operators and does not promote vacation rentals or other commercial activities in the State Agricultural District with little or no connection to a productive farming operation.
- 3. Section 5, Page 26, Lines 6-10. OPSD opposes the amendment on page 26, lines 6-10, which repeals the minimum lot size for lands in the State Agricultural District. In agricultural land use policy, the minimum lot size is central to preventing the further fragmentation of agricultural lands and subsequent conversion of agricultural lands to urban and higher-value non-agricultural uses. The minimum lot size is critical to the objective of preserving long-term affordability and availability of productive agricultural land for bona fide agricultural production into the future. Small lot sizes can also impede the ability of bona fide farming operations to expand operations and to accommodate changes in crop regimes and farming practices.

Minimum lot sizes for agricultural lands in other farming areas nationwide are typically much higher than one acre—ranging from 10 to 40 acres or more for

HB 966, HD1 RELATING TO AGRICULTURAL TOURISM – COMMENTS W/ CONCERNS Office of Planning and Sustainable Development February 20, 2025

productive crop land. For these reasons, OPSD believes that the minimum lot size for lands in the State Agricultural District could be increased for new agricultural subdivisions, possibly to five or ten acres, in accord with agricultural land use policy standards.

- 4. Section 4, Page 15, Lines 1-2. OPSD opposes the amendment that deletes the language that defines plantation community subdivisions as those created to serve former sugar or plantation agricultural communities. This amendment was intended to grandfather existing plantation villages and to remove their non-conforming status in the State Agricultural District. The amendment on page 15 would leave open the possibility of new subdivisions in the Agricultural District that would further erode protection of agricultural lands from fragmentation, further complicate regulation of non-agricultural uses in the Agricultural District, and result in the costly extension of infrastructure and services to outlying areas in the Agricultural District. Consideration should be given to expanding the Rural District to incorporate such communities.
- 5. Section 3, Page 10, Line 21 and Page 11, Lines 1-7. OPSD recommends deletion of these amendments. The insertion of agricultural tourism at the bottom of page 10 is redundant of agricultural tourism in Paragraph 11 at line 1 of page 8 and unnecessary and creates confusing circular references. The new roadside stand provision on page 11 is redundant of existing roadside stand provisions, is overly prescriptive, and should be left to the Counties to determine what constitutes a roadside stand or retail activities related to agricultural activity.
- 6. <u>Section 3, Page 12, Line 3.</u> OPSD recommends the insertion of "<u>may</u>" rather than "shall" with respect to lands to be included in the Agricultural District. Requiring that lands that are unsuited to agriculture be included in the Agricultural District only exacerbates the enforcement issues engendered by the presence of marginal lands in the State Agricultural District.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWADeputy 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 JUDICIARY AND HAWAIIAN AFFAIRS

THURSDAY, FEBRUARY 20, 2025 2:00 PM CONFERENCE ROOM 325

HOUSE BILL NO. 966, HOUSE DRAFT 1 RELATING TO AGRICULTURAL TOURISM.

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

Thank you for the opportunity to provide testimony on House Bill No. 966, House Draft 1 that establishes statewide uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance. This measure also requires agricultural tourism activities to be registered by the county planning department; agricultural tourism activities are to coexist with an agricultural activity on a farming operation; and requires termination of the agricultural tourism activities upon cessation of the agricultural activity.

The Department of Agriculture (Department) appreciates the intent of this measure and offers the following comments and recommendations

Page 4, lines 7-9

HD1 deleted the requirement that

"(c) Revenue from all agricultural tourism activities on a farming operation shall not exceed revenue from the agricultural activity conducted on the farming operation."

Department comment: This deleted requirement could have served as an indicator that agricultural tourism activities are "accessory and secondary to the principal agricultural use" (page 4, lines 2-3). Without it, there is no other objective indicator in HD1 to ensure agricultural tourism activities are "accessory and secondary". The fundamental condition to allow agricultural tourism is that it be "accessory and secondary" to a commercial farming operation as defined in Section 165-2. That being said, we do not



disagree with the reasons given by testifiers in opposition to the cap on revenues from agricultural tourism activities not to exceed the revenue from the farming operation.

Page 4, lines 7-12

New section in Chapter 205

Proposed Subsection (c) defines "productive agricultural use" as:

"...the real property of the working farm, or farming operation as defined in section 165-2, is taxed as agricultural and is current on its real property tax obligations."

Department comment: Agricultural land is taxed as agricultural but there may be no agricultural uses or activities on the property. Is it the intent of this part to reference each county's "agricultural (use) dedication program"? These programs encourage the commercial agricultural use of land on a long-term basis by offering lower land value assessments which in turn will reduce the real property tax burden on the farmer or rancher. Should this part of HD1 be amended to reference "agricultural (use) dedication program", this could be evidence that the property on which the agricultural tourism activities are located on is likely to have "productive agricultural use" or a commercial "farming operation" pursuant to Section 165-2.

Page 4, lines 13-14

The Department recommends deleting overnight accommodations as part of agricultural tourism. The City and County of Honolulu City Council's recent revision of the Land Use Ordinance did not include overnight accommodations in their definition of agritourism.

Page 5, lines 6-9

Cessation of agricultural activity will result in automatic termination of the authorization to conduct agricultural tourism activities.

Department comment: The termination of the authorization to conduct agricultural tourism activities upon the cessation of the agricultural activity on the farming operation may need to be clarified in cases where the cessation of the agricultural activity is temporary and due to inclement weather, disease/pest infestation, market and supply chain disruptions, change in crop type (orchard crops require multiple years before economic harvest occurs), and so forth.

Page 10, line 21 to page 11, line 7

Amends Section 205-2(d) "agricultural-based commercial operations registered in Hawaii" to include "agricultural tourism activities" and "roadside stand" or "retail activities in an enclosed structure under three hundred square feet in total floor area that is on a trailer…"

Department comment: "Agricultural tourism activities" should be described or referenced in the same manner as the other "agricultural-based commercial operations" to ensure linkage of these uses to "producers" growing agricultural products and value-added products produced using agricultural products grown in Hawaii (page 9, line 10 to page 10, line 20). The Department has concerns about allowing the "roadside stand" or "retail activities in an enclosed structure under three hundred square feet in total floor area" on trailers. A 40-foot long by 8-foot-wide shipping container is 320 square feet. If it is the intent of this measure to allow the producers to operate their mobile roadside

Page 3

stands or retail activities in an enclosed structure away from their respective farms and the agricultural tourism activities, this should be stated in this measure.

Page 25, line 1 to page 26, line 10
Amends Section 205-5(b) to remove reference to the
Department comment: The Department recommends leaving be the proposed deletion
of text on page 26, lines 6-10. This text establishes the minimum one-acre minimum lot
size in the Agricultural District, a fundamental land use standard in Chapter 205.

Department staff noticed two spelling errors: Page 4, line 7, "<u>shallow</u>" should be "shall" Page 26, line 20, "the" should be "that"

Thank you for the opportunity to present our testimony.



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TESTIMONY OF DANIEL NĀHO'OPI'I Interim President & CEO

Hawai'i Tourism Authority before the

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Thursday, February 20, 2025 2:00 p.m. State Capitol, Room 325

In consideration of
HB 966 HD 1
RELATING TO AGRICULTURAL TOURISM

Aloha Chair Tarnas, Vice Chair Poepoe, and Members of the Committee,

The Hawai'i Tourism Authority (HTA) offers comments on HB 966 HD 1, establishing statewide, uniform standards to promote agricultural tourism activities by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance. It also requires agricultural tourism activities to be registered by the county planning department, agricultural tourism activities to coexist with an agricultural activity on a farming operation, and requires termination of the agricultural tourism activities upon cessation of the agricultural activity. The measure also makes conforming amendments and sets the effective date as July 1, 3000.

Agricultural tourism is a vital niche within Hawai'i's tourism industry, specifically identified in HRS 201B-3(a)(19). Successful development of agricultural tourism initiatives advances Hawai'i toward a regenerative tourism model that actively supports farmers while being sensitive to surrounding communities.

Mahalo for the opportunity to share our comments.

C. Kimo Alameda, Ph.D. *Mayor*



William V. Brilhante, Jr.

Managing Director

Merrick NishimotoDeputy Managing Director

County of Hawaí'i ~ Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawaiʻi 96720 • Phone (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokālole Hwy., Bldg C • Kailua-Kona, Hawaiʻi 96740 Phone (808) 323-4444 • Fax (808) 323-4440

TO: Rep. David A. Tarnas, Chair

Rep. Mahina Poepoe, Vice Chair

Committee on Judiciary & Hawaiian Affairs

FROM: C. Kimo Alameda, PhD., Mayor

DATE: February 19, 2025

SUBJECT: SUPPORT OF HB966, HD1 RELATING TO AGRICULTURAL TOURISM

Aloha Chair, Vice Chair, and esteemed members of the Committee,

I am writing to express my strong support for House Bill 966, HD1, which establishes statewide standards for agricultural tourism while ensuring these activities remain secondary to active farming. This bill promotes agritourism as a valuable opportunity for farmers and ranchers to enhance revenue and educate the public, contributing to Hawai'i's goal of greater self-sufficiency.

We believe the primary purpose of Agricultural Districts is production agriculture. Agritourism should complement, not replace, active farming operations, with non-agricultural activities belonging in rural districts. While statewide standards are essential, counties should retain authority to regulate agricultural tourism in line with local needs.

Mahalo for your time and consideration.



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 20, 2025

HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

TESTIMONY ON HB 966, HD2 RELATING TO AGRICULTURAL TOURISM

Conference Room 325 & Videoconference 2:00 PM

Aloha Chair Tarnas, 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 the intent of HB 966, HD2, which establishes statewide, uniform standards to promote agricultural tourism activities in the state. This bill sets clear requirements for agricultural tourism that apply to all counties that have adopted an agricultural tourism ordinance. It also requires agricultural tourism activities to be registered with the county planning commission and ensures that they remain secondary to active agricultural operations, terminating when farming activity ceases.

We strongly support agritourism, which represents an excellent revenue enhancement opportunity for farmers and ranchers and an educational opportunity for the public. Fostering the profitability of farmers and ranchers will significantly contribute to the State's goal of increased self-sufficiency.

We believe the primary purpose of the Agricultural District is production agriculture. Agricultural tourism should complement active farming operations and not become the primary land use. Agricultural tourism operations should be subordinate to bona fide agricultural operations. We believe that other loosely related activities merely using agriculture as a justification belong in the rural district. Counties should be encouraged to move in this direction, thereby protecting agricultural lands.

While we support establishing minimum statewide standards, we believe that the details of agricultural tourism should remain a home rule issue. Counties may have different views on what constitutes agricultural tourism and what activities they choose to allow. This should be respected and remain under the purview of county

zoning. Therefore, we request that the requirement for a county to adopt ordinances regulating agricultural tourism operations remain in place.

We also request that the implementation of this measure:

- Ensure that registration requirements do not create unnecessary administrative burdens on working farmers and ranchers.
- Provide clarity on what constitutes an eligible agricultural operation to prevent unintended restrictions on small or diversified farms.
- Include input from farmers and ranchers in developing regulations to ensure that agricultural tourism activities remain viable and beneficial for agricultural producers

Thank you for the opportunity to testify on this important matter.

DATE: FEBRUARY 19, 2025

HB966 HD1 before the JUDICIARY AND HAWAIIAN AFFAIRS COMMITTEE TESTIMONY SUBMITTAL FROM MAHINA FARMS MAUI, LLC

We are in support of HB966 HD 1 because we are currently experiencing the effects of a system that seems to punish farmers instead of supporting it. Approval of HB966 HD1 will help farmers better utilize an Agricultural Tourism law enacted around a decade ago in HRS 205. It will also re-confirm the rights of farmers with building permit exemptions for agricultural buildings.

We have recently applied for a Special Use Permit to be able to have our farm guests (residents and visitors) string their own lei from the plants we grow or weave a coconut hat from the coconut trees we grow. The cost of tens of thousands of dollars to hire a Planning Consultant is not sustainable for the farming community.

Also, we were informed by our planning department we would need to apply for a Special Use Permit to place an 8 ft X 10 ft farm stand on a trailer. When we registered our farm stand (agricultural retail structure) to be built on the ground, we were then told we needed a building permit for it. In **Maui County Code**, **Chapter 16.25.105.2 Work exempt from permit**, one-story agricultural buildings 200 sf or less and trailers with a valid certificate of registration are exempt from needing a building permit, but it didn't matter to our Planning Department.

Also, we believe **HRS 46-88** (Agricultural buildings and structures; exemptions from building permit and building code requirements) already exempts our farm stand from building permit requirements, but inclusion in HRS 205 will add another affirmation.

Noted specifically in HRS 46-88:

46-88(a): Notwithstanding any law to the contrary, the following agricultural buildings, structures, and appurtenances thereto **that are not used as dwellings or lodging units** are exempt from building permit and building code requirements... This section does not specifically call out roadside stands as an exception.

46-88©(3): The agricultural buildings, structures, or appurtenances thereto are located on a commercial farm or ranch and are used for general agricultural or aquacultural

operations, <u>or for purposes incidental to such operations</u>; why wouldn't the selling of farm products be incidental to the farming operation?

46-88(d): "Agricultural building" means a development, including a nonresidential building or structure, built for agricultural or aquacultural purposes, located on a commercial farm or ranch constructed or installed to house farm or ranch implements, agricultural or aquacultural feeds or supplies, livestock, poultry, or other agricultural or aquacultural products, used in or necessary for the operation of the farm or ranch, or for the processing **and selling of farm or ranch products.**

Needless to say, it has been very frustrating for our family, let alone the countless other farmers statewide working through unnecessary bureaucracy. Again, we ask for your support. Mahalo nui! Robert Leialoha Horcajo; 808 244-4000.





1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

Feb. 20, 2025, 2 p.m.

Hawaii State Capitol

Conference Room 325 and Videoconference

To: House Committee on Judiciary and Hawaiian Affairs

Rep. David Tarnas, Chair

Rep. Mahina Poepoe, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HB966 HD1 — RELATING TO AGRICULTURAL TOURISM

Aloha Chair Tarnas, Vice-Chair Poepoe and other members of the Committee,

The Grassroot Institute of Hawaii **supports** <u>HB966 HD1</u>, which would create uniform standards for agricultural tourism operations throughout the state.

Specifically, the bill would allow agricultural tourism activities as an accessory and secondary use to primary agricultural uses. It would also allow roadside retail uses such as food trucks, subject to certain rules.

The only general requirement would be that any farm or ranch owner wanting to conduct agricultural tourism would be required to register with the county planning department and provide information on farm access, facilities and tourism activities they plan to offer.

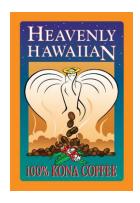
Grassroot believes this bill would give farmers and ranchers more freedom to diversify their income sources. Agricultural tourism activities could educate visitors about sustainable practices and land stewardship, in addition to creating employment opportunities and excise tax revenues.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii



Heavenly Hawaiian Farms

78-1136 Bishop Road Holualoa, HI 96725 808-322-7720 (Fax) 808-322-7721

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February 18, 2025

Aloha JHA Chair Tarnas, Vice Chair Poepoe and JHA Committee:

Thank you for the opportunity to present testimony in **strong support** of HB966 HD1.

As many on this committee know, farming of every kind is a very challenging venture at best. It requires extensive labor, initial capital investment and regular infusion of cash to make ends meet. And, at the end of the day, there is no guarantee of success or profitability. Farmers, therefore, need to find means to supplement their crop sales. Agricultural tourism is one of the most significant avenues to generate that supplemental cash flow. It allows the farmer to sell more of the farm crop at retail to visitors on the farm. Enhanced sales are generated through the experience of being on the farm, education seeing how a product is developed from the raw crop, experiencing first-hand what a farmer must do to succeed to bring the product to market. And they are able to taste products freshly harvested and processed. On farm sales will generate many times online retail revenue or farmers market sales or wholesale to retail stores. Agriculture tourism is truly a "lifeline" for farmers trying to improve their cash flow.

However, the current process to get planning approval for an agricultural tourism permit from county planning is extremely intimidating, cumbersome, costly and time consuming. It simply doesn't work for the average farmer. I know fellow coffee farmers who have incurred costs of over \$100,000, mostly in hiring experts, attorneys and advisors just to apply for a permit for a walking path, some small open pavilions highlighting processing activities and restrooms. Applying for a permit with all the associated costs of experts, attorneys, planners, etc to present a package to the county is prohibitive. This doesn't work for the farming community. Therefore, many farmers simply opt out. HB966 HD1 will help level the "playing field" for small minority farmers and ranchers as it eliminates the costly and onerous site plan approval process. HB966 HD1 fixes these problems by allowing a farmer to register his/her agricultural tourism activities with a simple registration filing. Stores and restaurants on farms are currently allowed with the registration process. The logical question is, why can't the mere act of getting tourists onto the farm also be handled with a similar registration process?

HB966 HD1 is logical and fair and equitable to all farmers and ranchers, large and small. And, it helps the struggling farmer or rancher to compete and stay in business with the added stream of revenue, all without the unnecessary and prohibitive costs of site planning approvals. It presents a win-win resolution.

Finally, HB966 HD1 requires that agricultural tourism be only allowed on land on which productive agricultural use is occurring. It further requires that the agricultural tourism activities must cease when the agricultural activities cease. This guaranties that the agricultural tourism ties in with legitimate agriculture. It may be helpful to include language that requires the agricultural activities to be "commercial and/or regenerative" in nature. That would create an agricultural baseline to assure that the agricultural tourism component of the business is tied in with legitimate farming or ranching agricultural activities. A reduced county agricultural use property assessment is one way to prove a legitimate agricultural use of the property. Verification of production by product sales receipts from the farm is another. This requirement would disqualify "gentlemen farmers."

I **strongly support** HB966 HD1, and urge this Committee to vote in favor to approve it and to pass it out of committee.

Mahalo nui, Dave Bateman, President, Heavenly Hawaiian Farms, Holualoa, HI

HB-966-HD-1

Submitted on: 2/19/2025 2:26:02 PM

Testimony for JHA on 2/20/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Kimo Falconer	Hawaii Coffee Growers Association	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, and members of the House Judiciary and Hawaiian Affairs Committee,

I am wrting to ask for your support in passing HB 966 HD1 forward.

Ag tourism adds so much to our businesses, the obvious being the necessary income local farmers need to stay viable, but it adds so much more to our State in general. People are fascinated with what we grow here, the lifestyle that supported generations and how our "giving back to the land" mantra is something they want to learn about. The simple things like that which we tend to take for granted because we live so close to it.

There is so much more we can do to enhance this. HB 966 is a great start. It has good language that keeps any Ag tour operation tied to the land producing it. It suggests adding language that may include wording "commercial" operations to the production aspect, where we should also look at the regenerative benefits we are providing to the land as our standard. All talking points as we educate our visitors.

Mahalo for taking the important time to consider this valuable asset to our livelyhoods, and thank you for allowing me the time to testify.



COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS Rep. David A. Tarnas, Chair Rep. Mahina Poepoe, Vice Chair

HB966 HD1 RELATING TO AGRICULTURAL TOURISM

Thursday, February 20, 2025, 2:00 PM Conference Room 325 & Videoconference

Chair Tarnas, Vice Chair Poepoe, and members of the committee,

The Hawaii Cattlemen's Council <u>offers comments on HB966 HD1</u> which establishes statewide, uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance. Requires agricultural tourism activities to be registered by the county planning commission. Requires agricultural tourism activities to coexist with an agricultural activity on a farming operation and requires termination of the agricultural tourism activities upon cessation of the agricultural activity.

Agricultural tourism is important to diversity a farm or ranch's revenue stream, provide access for the public to a working farm, and to educate and connect people with where their food comes from. Agriculture is a tough business with small margins. Utilizing agricultural tourism can often be an important factor in being able to stay afloat financially.

While we agree that tourism activities should not interfere with the agricultural operations, we do not agree that revenue from the tourism activities should not exceed revenue from agricultural activity and appreciate that this is no longer part of HB966 in its HD1 form. While this sounds like a good way to ensure agricultural production is the primary activity, the revenue from these two different streams are very different. Restricting revenue will restrict farmers and ranchers ability to continue ag production along with ag tourism successfully.

We appreciate the opportunity to testify on this measure. The Hawaii Cattlemen's Council (HCC) is the Statewide umbrella organization comprised of the four county-level Cattlemen's Associations. Our member ranchers represent over 60,000 head of beef cows; more than 75% of all the beef cows in the State. Ranchers are the stewards of over 750 thousand acres of land in Hawaii, or 20% of the State's total land mass. We represent the interests of Hawaii's cattle producers.

Nicole Galase

Hawaii Cattlemen's Council Managing Director







HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325
Thursday, February 20, 2025 AT 2:00 P.M.

To The Honorable David A. Tarnas, Chair The Honorable Mahina Poepoe, Vice Chair Members of the Committee on Judiciary & Hawaiian Affairs

SUPPORT HB966 HD2 RELATING TO AGRICULTURAL TOURISM

The Maui Chamber of Commerce **SUPPORTS HB966 HD2** which establishes statewide, uniform standards to promote agricultural tourism activities in the State by establishing state agricultural tourism activity requirements that are applicable to all counties that have adopted an agricultural tourism ordinance.

The Chamber recognizes that agricultural tourism (agtourism) offers a wide range of benefits for both farmers and local communities. For farmers, agtourism provides diversified income streams through activities such as farm tours, farm-to-table dinners, and agritainment, which offer additional revenue beyond traditional agricultural sales. It also helps enhance brand awareness by allowing direct interaction with consumers, enabling farmers to build brand recognition and customer loyalty. Additionally, agtourism aids in preserving agricultural heritage by educating the public about farming practices, food production, and rural lifestyles, fostering a deeper appreciation for agricultural traditions. Finally, by hosting events and workshops, farmers can strengthen their ties with the community and build social capital.

For communities, agtourism can stimulate economic growth by attracting visitors who spend on lodging, dining, and shopping. It also creates jobs in hospitality, tourism, and agriculture-related sectors. Moreover, agtourism can contribute to community development by revitalizing rural areas, attracting tourists, and promoting local businesses. By generating income from non-agricultural activities, agtourism also incentivizes farmers to keep their land in agricultural production, helping preserve open spaces and natural landscapes.

In essence, agtourism offers a sustainable way for farmers to thrive, communities to prosper, and consumers to connect with the source of their food.

We appreciate that the Legislature amended the measure to remove the language prohibiting agricultural tourism activities from earning more than the income generated from agricultural production. There may be instances where the income from selling products made from the farm's produce (such as jellies, sauces, etc.) exceeds the earnings from growing the ingredients. We believe that farmers should not be restricted in this way.

For these reasons we **SUPPORT HB966 HD2**.

Pamela Jumpap

Sincerely,

Pamela Tumpap President

> To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-966-HD-1

Submitted on: 2/18/2025 1:39:59 PM

Testimony for JHA on 2/20/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chuck Lyons	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I oppose HB966 for two primary reasons

- 1. Building in Hawaii takes an inordinate amount of time, due to building codes and long permit processing times. It makes absolutely zero sense to put more onto that org while trying to reduce the affordable housing problem
- 2. This doesn't do anything to promote agriculture or tourism and simply adds more burden onto those that run an agricultural tourism business

Mahalo