

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEAN M. MATSUKAWA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON TOURISM AND
ECONOMIC DEVELOPMENT & TECHNOLOGY

TUESDAY, FEBRUARY 11, 2025
10:30 AM
CONFERENCE ROOM 423

HOUSE BILL NO. 1006 HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairs Tam and Ilagan, Vice Chairs Templo and Hussey and Members of the Committee:

Thank you for the opportunity to provide testimony on House Bill 1006 HD1 that includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

The Department of Agriculture supports this measure and appreciates the definition proposed for "Agricultural tourism" provides that the agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations."

Thank you for the opportunity to present our testimony.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OU LU AINA MAHIAI

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON TOURISM
February 11, 2025
10:30 a.m.
Conference Room 423 & Videoconference

HOUSE BILL NO. 1006 HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Chairperson Tam, Vice Chair Templo, and Members of the Committee:

The Agribusiness Development Corporation (ADC) **supports** HB 1006 HD1 which seeks to enhance agritourism by including agricultural tourism in the definition of “enterprise” to financially support farming businesses engaged in agricultural tourism. This important amendment will allow ADC to provide financial and strategic support to farming businesses engaged in agritourism, which is a growing and vital component of Hawaii’s agricultural economy.

The Role of Agritourism in Hawaii’s Agriculture and Economy

Agritourism merges agriculture with tourism, offering unique experiences such as farm tours, hands-on workshops, farm-to-table dining, and direct-to-consumer sales of locally grown products. It plays an essential role in diversifying the agricultural sector, strengthening rural economies, and promoting Hawaii’s cultural heritage. Key benefits of agritourism include:

- 1. Economic Sustainability for Farmers:** Agritourism provides an additional revenue stream for farmers, helping them offset rising operational costs and the challenges of fluctuating crop prices. This financial stability allows farmers to reinvest in their operations and improve overall productivity.
- 2. Promotion of Locally Grown Products:** By engaging directly with visitors, agritourism promotes the value of locally grown food and educates the public on sustainable farming practices, thereby fostering greater appreciation for Hawaii's agricultural products.
- 3. Support for Rural Communities:** Agritourism creates jobs and stimulates economic activity in rural areas, offering opportunities for local residents and businesses to thrive.
- 4. Cultural and Environmental Education:** Agritourism highlights Hawaii's unique agricultural practices, traditional knowledge, and environmental stewardship, creating opportunities to share Hawaii's cultural heritage with visitors and residents alike.

Why Agritourism Should Be Included in the Definition of "Enterprise"

ADC is instrumental in supporting Hawaii's agricultural sector by providing resources, financial support, and expertise to farmers. However, the current definition of "enterprise" does not explicitly include agritourism, limiting ADC's ability to assist farming operations engaged in this important activity. By

expanding the definition of “enterprise” to include agritourism, this amendment will:

- **Encourage Diversification in Agriculture:** Farmers will have greater access to resources needed to launch or expand agritourism initiatives, helping them diversify their income streams and build more resilient operations.
- **Increase Access to Funding and Technical Support:** Including agritourism will enable ADC to provide financial support, grants, and technical expertise to farming businesses that incorporate tourism into their operations.
- **Support Statewide Economic Goals:** Agritourism aligns with Hawaii’s broader goals of promoting sustainable tourism, supporting local businesses, and reducing reliance on imports by strengthening the local food system.

Economic Impact of Agritourism in Hawaii

Agritourism already contributes significantly to Hawaii’s economy. According to the Hawaii Department of Agriculture, agritourism activities have generated millions of dollars in revenue annually, with many farms reporting that tourism-related income represents a substantial portion of their total earnings. Expanding ADC’s mandate to support agritourism will allow more farming operations to benefit from this growing market, further boosting the agricultural and tourism sectors.

Conclusion

Including agritourism in the definition of “enterprise” is a necessary step to ensure that Hawaii’s farmers can fully participate in this dynamic and growing sector. By providing financial support and resources to agritourism ventures, ADC will strengthen Hawaii’s agricultural economy, enhance rural development, and promote sustainable tourism practices.

I respectfully urge the Committee to support this amendment and authorize ADC to extend its support to farming businesses engaged in agritourism.

Mahalo for the opportunity to testify on this important measure.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKA'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT AND TECHNOLOGY

Thursday, February 11, 2025
10:30 AM
State Capitol, Conference Room 423

In consideration of
HB 1006, HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION.

Chair Ilagan, Vice Chair Hussey, and members of the Committee:

The Department of Business, Economic Development, and Tourism strongly supports HB 1006, HD 1, which seeks to enhance agritourism by including agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation (ADC) to financially support farming businesses engaged in agricultural tourism.

Agritourism activity is an entrepreneurial strategy that allows farmers, many of which may qualify as small businesses, to find greater success in their business through direct sales and interaction with customers, while allowing local farmers to capitalize on Hawaii's unique regional identity.

Thank you for the opportunity to testify.



Officers

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Vincent Kimura
Honolulu, O'ahu

Natalie Urminska
Kaua'i

Aloha Chair Tam, Vice Chair Templo, and Members of the House Tourism Committee,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports HB1006.**

By including agricultural tourism within the definition of "enterprise," the Agribusiness Development Corporation can extend support to farming businesses that implement tourism activities as complement to their primary agricultural operations.

Agricultural tourism should be seen as an accessory and secondary component to the principal agricultural use of the land. It offers a platform for farmers to educate the public about sustainable farming practices and the important role agriculture plays in Hawaii's economy and environment. Through strategically developed tourism activities, farmers can share their stories and the unique characteristics of their crops, encouraging a deeper connection and appreciation for locally-produced food. This approach not only benefits farmers but also enhances the visitor experience by providing authentic, educational insights into Hawaii's agricultural landscape, thereby strengthening the community and fostering a sustainable future.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union



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February 11, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON TOURISM

TESTIMONY ON HB 1006, HD1
RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Conference Room 423 & Videoconference
10:30 AM

Aloha Chair Tam, Vice-Chair Templo, 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 1006, HD1, which includes agritourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support businesses engaged in agritourism.

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.

The Agribusiness Development Corporation (ADC) was initiated by the agricultural industry as sugar and pineapple downsized. It was established to help transition Hawaii's agricultural sector 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. ADC has successfully developed a productive diversified sector from former sugar and pineapple lands.

ADC assists farmers and ranchers with land and water issues, regulatory mandates, invasive species, global competition, financing, marketing, and research funding. As the entrepreneurial agricultural arm of the state, ADC should have the authority to support agritourism.

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

February 10, 2025

Subject: HB1006 *Agribusiness Development Corporation; Enterprise; Definition; Agricultural Tourism*

Aloha Chair Tam, Vice Chair Templo and Members of the Tourism Committee,

Hawai'i Food+ Policy is in support of HB1006, which aims to add agricultural tourism in the definition of an "enterprise", so as to be eligible to receive funding support from the Agribusiness Development Corporation. Hawai'i Food+ Policy aims to support bills that will increase opportunities for farming to be a financially stable way of life for existing farmers, and remove barriers for aspiring young farmers to continue the practice. With the addition of agritourism in the definition of an "enterprise" it will provide the much needed support to agricultural businesses that want to tap into the tourism market. As tourism is the main source of income for many residents, it's important to allow all businesses access into this sector of our economy.

With the rise of tourist attraction to our islands it's also important to support sustainable and local avenues to this part of our economy. To ensure that tourism is a sustainable practice, and isn't cutting off the livelihoods of our local farmers and agriculture business owners, it's imperative to pass HB1006. Please show your support for our local agriculture business owners that could benefit from support of the tourism industry by passing HB1006.

Thank you for your time and consideration,
The Hawaii Food+ Policy Team



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEES ON
ECONOMIC DEVELOPMENT & TECHNOLOGY and TOURISM
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 423
Tuesday, February 11, 2025, 10:30 A.M.

To The Honorable Adrian K. Tam, Chair
The Honorable Shirley Ann Templo, Vice Chair
Members of the committee on Tourism
To The Honorable Greggor Ilagan, Chair
The Honorable Ikaika Hussey, Vice Chair
Members of the committee on Economic Development & Technology

SUPPORT HB1006 HD1 RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

The Maui Chamber of Commerce **SUPPORTS HB1006 HD1** which includes agricultural tourism in the definition of "enterprise" to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

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, offering additional revenue beyond traditional agricultural sales. It also enhances brand awareness, as direct interaction with consumers allows farmers to build brand recognition and customer loyalty. Additionally, agtourism helps preserve agricultural heritage by educating the public about farming practices, food production, and rural lifestyles, fostering a deeper appreciation for agricultural traditions. By hosting events and workshops, farmers can further strengthen ties with their communities and build social capital.

For communities, agtourism stimulates economic growth by attracting visitors who spend on lodging, dining, and shopping. It creates jobs in hospitality, tourism, and agriculture-related sectors, and it can help revitalize rural areas by attracting tourists and promoting local businesses. Moreover, by generating income from non-agricultural activities, agtourism incentivizes farmers to keep their land in agricultural production, helping to 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.

For these reasons we **SUPPORT HB1006 HD1** and respectfully request its passage.

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.

Kathleen M. Pahinui
Pahinuik001@hawaii.rr.com

Saturday, February 8, 2025

COMMITTEE ON TOURISM Rep. Adrian K. Tam, Chair Rep. Shirley Ann Templo, Vice Chair Rep. Daniel Holt Rep. Ikaika Hussey Rep. Greggor Ilagan Rep. Chris Todd Rep. Lauren Matsumoto

COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY Rep. Greggor Ilagan, Chair Rep. Ikaika Hussey, Vice Chair Rep. Daniel Holt Rep. Adrian K. Tam Rep. Shirley Ann Templo Rep. Chris Todd Rep. Lauren Matsumoto

Re: Testimony on HB 1006 HD1 RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

Aloha Chairs Tam and Ilagan Committee Members:

I oppose HB 1006 HD1 and its purpose to include agricultural tourism in the definition of "enterprise" and to authorize the Agribusiness Development Corporation to financially support farming businesses engaged in agricultural tourism.

This bill is a slippery slope to let agri-tourism be the primary financial driver and any agriculture just window dressing. I do appreciate the long effective date that will hopefully kill this bill.

If the real purpose is to allow tourism instead of farming – then we should just say so. This is an end run around our food security. If those who are leasing from ADC cannot make it via ag only, then they should give up the lease and allow another farmer / rancher to take it on.

Let us not dilute the little ag we have left on our islands. ADC should focus only on real agriculture. Our tax dollars should not be subsidizing other types of businesses. That is not what the ADC was set up to do.

We are one major disaster away from starvation. This bill brings us even closer.

Please support agriculture, not tourism. Please help us reach our food security goals.

Food first!

Mālama ʻāina,

Kathleen M. Pahinui

Kathleen M. Pahinui
Resident, Waialua, North Shore, Oʻahu

HB-1006-HD-1

Submitted on: 2/10/2025 10:19:31 AM

Testimony for TOU on 2/11/2025 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Robbie Melton	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and committee members,

Relating to the Agriculture Development Corporation

I am writing in strong support of HB1006.

Agri-tourism has seen a rise in popularity across the country over the past 10 years. Visitors want to learn about farming practices and get a better appreciation of local produce. On some farm tours participants may participate in farming activities. As HB1006 states, these activities would be secondary to the main farming activities.

For the past 5 years I served as an activity coordinator for a bed and breakfast on Kauai. Many guests ask to attend a farm tour to experience local food production and value added farming. ADC farmers could benefit from this opportunity on their farms.

Thank you for the opportunity to testify in support of ADC and Hawaii's Agriculture community.