SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

MORRIS M. ATTA 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 CONSUMER PROTECTION & COMMERCE

WEDNESDAY, FEBRUARY 15, 2023 2:00 P.M. CONFERENCE ROOM 329 AND VIDEO CONFERENCING

> HOUSE BILL NO. 1295 HD1 RELATING TO FARMS

Chair Nakashima and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1295 HD1 which amends Chapter 141 and establishes a grant program within the Department of Agriculture to assist chicken farmers in meeting the costs of raising chickens for human consumption. The Department supports this measure and offers the following comments.

The Department appreciates any measure to help reduce the costs of production facing local farmers and livestock producers. We acknowledge the language added in this bill to tighten the standards provided by law on grant awards per Article VII, section 4, of the State Constitution. In this measure, the Department further recommends that a definition for <u>qualified applicant</u> be adopted to included farmers raising chickens for human consumption, farmers raising chicken layers for poultry eggs, and farmers raising chicks for both the chicken broiler and layer producers in Hawaii. All these farmers are equally affected by the high costs of production.

Thank you for your consideration on this measure.



ATE *Testimony submitted late may not be considered by the Committee for decision making purposes.



STATE OF HAWAPI OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

> SCOTT J. GLENN DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: https://planning.hawaii.gov/

Statement of SCOTT GLENN, Director

before the SENATE COMMITTEE ON WAYS AND MEANS Wednesday, February 15, 2023, 10:30 AM State Capitol, Conference Room 211

in consideration of

SB1295, SD1

PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13, OF THE HAWAII CONSTITUTION TO EXPRESSLY PROVIDE THAT THE LEGISLATURE MAY AUTHORIZE THE COUNTIES TO ISSUE TAX INCREMENT BONDS AND TO EXCLUDE TAX INCREMENT BONDS FROM DETERMINATIONS OF THE FUNDED DEBT OF THE COUNTIES.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Senate Committee on Ways and Means:

The Office of Planning and Sustainable Development (OPSD) **strongly supports** SB1295, SD1, as amended by the Committee on Judiciary, which proposes amendments to the Constitution of the State of Hawaii to expressly provide that the legislature may authorize political subdivisions, such as counties, to issue tax increment bonds and to exclude tax increment bonds in calculating the debt limit of the political subdivisions.

Tax increment financing (TIF) is a useful tool to help finance regional public infrastructure to facilitate, for example, transit-oriented development on state and private lands. It allows a portion of property taxes in excess of a base assessed value to be dedicated to finance costs of a project through the issuance of bonds.

While HRS §46-103 permits a county council to provide for tax increment financing, and HRS §46-104(2) grants a county the power to issue tax increment bonds, tax increment bonds do not fit neatly within the types of bonds that counties may issue under Hawaii's Constitution.

This bill proposes a ballot question asking whether the Constitution should be amended to expressly allow counties to issue tax increment bonds. The constitutional amendment would clarify that use of TIF is authorized and would exclude tax increment bonds in calculating the debt limit of the counties. Allowing the use of TIF is supported by state and county agencies and developers.

Thank you for the opportunity to testify on this measure.

Officers Kaipo Kekona State President

Anabella Bruch Vice-President

Maureen Datta Secretary

Reba Lopez Treasurer

Chapter Presidents

Madeline Ross Kohala, Hawai'i

Odysseus Yacalis East Hawai'i

Puna, Hawai'i

Andrea Drayer Ka'ū, Hawai'i

Chantal Chung Kona, Hawai'i

Fawn Helekahi-Burns Hana, Maui

> Reba Lopez Haleakala, Maui

Kaiea Medeiros Mauna Kahalawai, Maui

Kaipo Kekona Lahaina, Maui

Rufina Kaauwai Molokai

Negus Manna Lāna'i

Brynn Foster North Shore, Oʻahu

Christian Zuckerman Wai'anae, Oʻahu

Ted Radovich Waimanalo, Oʻahu

Vincent Kimura Honolulu, Oʻahu

> Ray Maki Kauai



Aloha Chair Nakashima, Vice Chair Sayama, and Members of the House Consumer Protection & Commerce Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports HB1295.**

As Hawaii's farmers, mostly recent immigrants and small, local family farms, are struggling, this bill will provide a crucial investment ensuring that they can continue farming, build new operations, and develop our state's agricultural economy. These funds would also be beneficial to rural Hawaii's health, environmental quality and cultural preservation.

The funds would be used to provide grants to chicken farmers, a critical sector of Hawaiian agriculture. Chicken farming is a growing livestock sector in Hawaii. Chicken farmers can benefit from grants to expand their operations, purchase new equipment, and hire new workers.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

Kennel S.K. Kehrene



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 15, 2023

HEARING BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HB 1295, HD1 RELATING TO FARMS

Conference Room 329 & Videoconference 2:00 PM

Aloha Chair Nakashima, Vice-Chair Sayama, 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 1295, HD1, which appropriates funds to the department of agriculture to provide grants to certain chicken farmers.

Hawai'i's poultry industry faces numerous challenges. One of their biggest challenges is the rising cost of feed for livestock production. These costs have been a contributing factor to the decline of the state's livestock industry.

In 2007, there were 6 egg farms in Hawai'i. Since then 2 egg farms have gone out of business. The remaining egg farms are currently threatened with closure, due to rising production costs, primarily the cost of feed and proposed legislation imposing additional restrictions that will significantly increase production costs.

There are fewer farmers to produce eggs yet still strong demand, so egg farmers must have ways to manage more birds most efficiently. To avoid the loss of any of our local farms and the products they supply to our communities despite the very competitive free market system, we respectfully ask to support Hawai'i's chicken farmers by providing grants to assist with their production costs.

Thank you for your efforts to protect and support Hawai'i's small chicken farmers.