



HB307 HD1
RELATING TO AGRICULTURAL PARK LEASES
House Committee on Consumer Protection & Commerce

February 22, 2023

2:00 PM

Room 329

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on **HB307 HD1**, which would allow the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less, on land that is twenty-five acres or less in size, and located in a county with a population of less than five hundred thousand. **OHA offers an amendment to this measure that would mitigate its concerns over the State’s constitutional obligations to the Native Hawaiian people.**

OHA wishes to emphasize that the Crown and Government lands of the Hawaiian Kingdom, often referred to as “Ceded Lands” of the Public Land Trust corpus, are continuously held in trust for the betterment of the conditions of Native Hawaiians.¹ In addition to its codification within the Hawai‘i Admissions Act, lawmakers sought to ensure the continuous uplifting of Native Hawaiian socio-economic status through the creation of OHA and the enacting of these principles into State law.² OHA serves as the principal public agency of the State responsible for the programs and activities of Native Hawaiians,³ whose well-being is often positively impacted by the programs and services funded by revenue from the public land trust.

While OHA is and will continue to be a staunch advocate for agricultural producers, many of whom are Native Hawaiian hānai ‘ai (food-producer practitioners), we are concerned that the proposed measure, as written, would allow for perpetual leases of agricultural lands, effectively putting public lands into private ownership and control, contrary to the public interest and the purposes of the Public Land Trust. Certain lands within the stewardship of the State of Hawai‘i Department of Agriculture are public land trust lands, and the continual long-term renewal of leases tied to these lands will bind them to uses that do not maximize the benefit to OHA’s beneficiaries – the Native Hawaiian people – and may ultimately result in the alienation of these lands. For these reasons, OHA offers the following amendments to this measure, which would ensure that OHA’s concerns for the betterment of conditions of Native Hawaiians is being met:

¹ Pub. L. 86-3, 73 Stat. 4; Hawai‘i Admissions Act of 1959.

² HRS §10-3.

³ Id.



SB73
RELATING TO AGRICULTURAL PARK LEASES
Senate Committee on Agriculture and Environment
Senate Committee on Water and Land

(d) Notwithstanding any other law to the contrary, if any lessee holds a lease having a remaining term of fifteen years or less, the department may extend the term of the lease for an additional thirty yea; provided that the land covered by the lease is;

- (1) Twenty-five acres or less;
- (2) Located in a county with a population of less than five hundred thousand, and
- (3) Does not constitute public land trust lands.

OHA appreciates the opportunity to provide comments on this measure and respectfully asks that the Committees **accept our recommendation to improve HB307 HD1** Mahalo nui loa.

JOSH GREEN, M.D.
Governor

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 22, 2023
2:00 PM
CONFERENCE ROOM 329

HOUSE BILL NO. 307, HD1
RELATING TO AGRICULTURAL PARK LEASES

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify on House Bill 307, HD1. This bill allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand. The Department supports agricultural production on agricultural park lands and offers comments.

HDOA appreciates the plight of lessees nearing the termination dates of their lease, however, it is our understanding that there is a public policy against allowing individual private interests to exclusively occupy, use, and benefit from public lands for the durations exceeding statutory limits or indefinitely. We understand the intent of this policy is to provide other members of the public without a State lease, a fair and equal opportunity to seek and enjoy that public benefit. Maximizing the opportunity to lease public lands under favorable conditions to the greatest number of applicants supports the growth of new farmers and incentivizes established farming operations with proven agricultural capabilities and economic viability to scale up and expand their operations on to other properties as part



of their business growth strategy. HDOA appreciates the intent of this bill to support and encourage the ongoing viability of agricultural operations, often referred to as “legacy farms,” to continue without disruption to maximize the uninterrupted local production of agricultural goods and food and operations that if approved to extend their lease, based on a plan to continue successful agriculture businesses, will pay the increased lease rents, should they be assessed. Concurrently, there is a pressing need to increase the number of farmers statewide to realistically achieve the level of farming necessary to meet the State’s goals for food security and sustainability. The single most insurmountable hurdle for most new and beginning farmers seeking to start a farm is the lack of available, appropriately sized, and reasonably priced agricultural lands suitable for farming. Our lands are among the most affordable in the State for agricultural use, making it ideal for an incubator and start-up operations.

Without a clear maximum term established by statute, the lease extension provided by the bill could potentially allow lessees to effectively remain on the land indefinitely, through consecutive extensions and preclude others from the same opportunity to lease public lands. There is nothing preventing a current lessee from applying for a new lease for either the same or other available parcel upon expiration of the current one. The HDOA maintains a list of interested farmers seeking to lease Department managed state lands and this list is culled every two years. There are currently 243 people on this list, which indicates the high level of interest in our lands. Potential lessees in this program know upfront that their use of the land cannot exceed fifty-five years. By requiring a business plan for new leases, we encourage lessees to rely on sound business practices to plan for the anticipated and known eventual termination and seek alternate lands if continuation or expansion of their farming operations is contemplated, or desired.

As long as this request does not impact other items and initiatives included in the administration’s budget, the Department is requesting \$18 million to fund the Kunia Agricultural Parks project. With the number of prospective farmers currently on the waitlist, the Department is compelled to mention that the need for additional park lands would be addressed through the request to fund the Kunia Agricultural Parks project which is a

priority for the Department and would result in 24 farm lots and housing for 24 farming families/operators.

If this body desires a change to the public lease policy, we respectfully request that the change and intent be included in this bill's preamble.

Thank you for the opportunity to testify on this measure.



February 17, 2023

Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
House Committee on Consumer Protection & Commerce

Testimony in Support of HB 307, H.D. 1, Relating to Agricultural Park Leases (Authorizes the Department of Agriculture [DOA] to extend the lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000. Effective 7/1/3000.)

Wednesday, February 22, 2023, 2:00 p.m.;
State Capitol, Conference Room 329, Via Videoconference

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of HB 307, H.D. 1** and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture in Hawaii.

HB 307, H.D. 1. The purpose of this bill is to allow the DOA to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less; provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

LURF's Position. LURF members include property owners, farmers and ranchers who own, maintain, and engage in agricultural enterprises, and who consider efforts to protect and support agriculture significant to the continued conduct of their operations and to help sustain and preserve farming and ranching businesses into the future. Agricultural production in Hawaii is reliant upon and furthered by the leasing of public lands, which makes it feasible for agricultural stakeholders to successfully fulfill the food production needs of the State.

LURF supports HB 307, H.D. 1 because the measure makes a significant effort to advance and facilitate the leasing of agricultural lands. By recognizing the significance of agricultural lessees, identifying the need to assist the local agriculture industry, and implementing measures which help to support the viability and maintenance of agriculture in the State, this bill significantly helps to promote economically viable agriculture, increased food production, and food self-sufficiency in Hawaii.

For the reasons stated above, LURF **supports HB 307, H.D. 1**, and respectfully urges your favorable consideration of this measure.

Thank you for the opportunity to present testimony regarding this matter.



MAUI COUNTY FARM BUREAU

PO Box 148, Kula, HI 96790
mauicountyfarmbureau.org

TESTIMONY

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 22, 2023
2:00 PM
Conference Room 329

HB 307 HD1

RELATING TO AGRICULTURAL PARK LEASES

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Maui County Farm Bureau (MCFB) appreciates this opportunity to testify on this important issue. MCFB is a general agriculture advocacy organization representing farm and ranch families and organizations on the island of Maui.

MCFB strongly supports HB 307 HD1, providing HDOA the ability to extend long term leases under certain conditions,

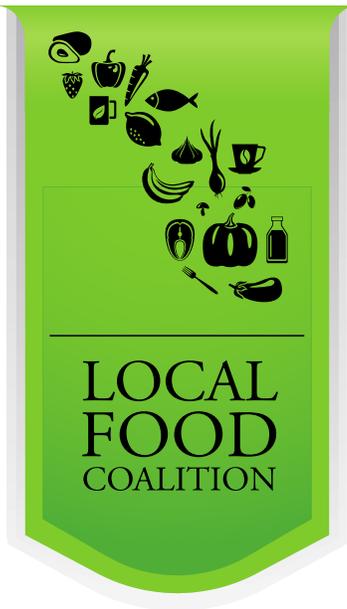
Hawaii is at a critical time in agriculture. Many multigenerational commercial farming and ranch operations face closure due to lack of successors. At the same time successful operations on HDOA lands face closure due to lease expirations. While there is an abundance of agriculturally zoned lands, access to them can often be difficult due to lease terms .in many cases, denial of long term leases.

It is recognized that HDOA ag parks were created with the intent that occupants would eventually find other parcels for long term use and the property would revert to a new occupant. Unfortunately, the process did not happen with no incentives for landowners to provide long term leases for our farmers and ranchers. Lack of long term leases reduces opportunities for investment.

Hawaii needs a strategy to provide long term lease for agricultural operators. In the mean time, this measure provides a solution to ensure that these successful operations can continue to invest and provide towards Hawaii's goal of increased self sufficiency.

MCFB respectfully requests your strong support of HB 307 HD1 in the interest of supporting Hawaii's agricultural production.

Thank you for this opportunity to provide our opinion on this matter. Please contact Warren Watanabe at 8082819718 if there are any questions.



Hawai'i Aquaculture & Aquaponics Association
Hawai'i Cattlemen's Council
Hawai'i Farm Bureau Federation
Hawai'i Farmers' Union United
Hawai'i Food Industry Association
Hawai'i Food Manufacturers Association
Kohala Center
Land Use Research Foundation of Hawai'i
Maui Farm to School Network (Maui F2SN)
Ulupono Initiative
College of Tropical Agriculture and Human Resources - University of Hawai'i at Manoa

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
February 22, 2023 – 2 p.m. – Via Videoconference and
Conference Room 329

HB 307 HD1 – RELATING TO AGRICULTURAL PARK LEASES
SUPPORT

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Local Food Coalition **SUPPORTS** HB 307 HD1, which authorizes the Hawaii Department of Agriculture (HDOA) to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand persons.

Long-term leases by HDOA allow farmers to invest in infrastructure improvements on their leased land. Without the certainty of continued tenancy, there is little incentive to make major investments to their infrastructure. HB 307 HD1 will allow farmers to obtain financing to invest in their operations and make infrastructure improvements to increase productivity, which will help the state reach its goal of doubling local food production.

The Local Food Coalition is an organization comprised of farmers, ranchers, livestock producers, investors and other organizations working to provide Hawaii's food supply.

We respectfully request your support of HB 307 HD1. Thank you for the opportunity to submit testimony.

Kendall Matsuyoshi
808-544-8345
kmatsuyoshi@wik.com

January 30, 2023

TO: The Honorable Hawaii State Senators
The Honorable Hawaii State Representatives
The Honorable Hawaii County Council Members

Dear Senators / Representatives / Council Members,

I am reaching out to you in regard to the lease extensions for Department of Agriculture land. As it stands, I currently have 15 years left on my lease (General Lease No. S-4763, Lot 16). I inherited this land from my father, who inherited it from his father. The farm has been with my family since 1982 and given the opportunity I will pass it on to my children. My son has already started the process of taking on the business and planting new crops since moving back to Hilo after completing his Bachelor's Degree at the University of Northern Colorado.

Traditionally we have always produced tree crops (i.e. macadamia nuts, lychee, avocados, etc.) on this land, but are considering other crops. The issue currently present is that without an extension to the lease, it is not economically feasible to invest more capital into our farm. As the COVID-19 Pandemic had decimated tourism in the state, our current crops had become unprofitable. Though the vaccines have been released and tourism is returning, variants pose a continued threat to our states agriculture that cannot be ignored. In order to address these problems with long term solutions, large investments must be made.

The Hawaii 2050 Sustainability Plan discusses increasing Hawaii's food security, sustainability, as well as a diversified economy. Failure to extend leases would act directly against these goals, as multiple local family farms will be forced to cease operations.

If extensions to Department of Agriculture leased lands are granted it would become economically feasible to make the necessary investments. Being that tree crops can take 5-10 years to mature to the point of producing fruit and greenhouses can cost tens of thousands of dollars, the time left on many of the existing leases are not enough for family farms. This year alone we have expanded our operations to include an additional 500 trees however as mentioned above these trees will take at least 5-7years before they become harvestable. An extension of 30 years would allow our farm to continue to plant new crops, diversify into different crops, maintain/expand our agricultural infrastructure, and continue our family operation in service to the state of Hawaii and its sustainability goals.

I appreciate you taking the time to hear my concerns.

Thank you,

Hugh Willocks, Ono Nut Farms



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 22, 2023

HEARING BEFORE THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HB 307, HD1
RELATING TO AGRICULTURAL PARK LEASES

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 307, HD1, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.



HOUSE OF REPRESENTATIVES
THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2023

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Mark M. Nakashima, Chair
Rep. Jackson D. Sayama, Vice Chair

Wednesday, February 22, 2023, 2:00 PM
VIA VIDEOCONFERENCE
Conference Room 329
State Capitol
415 South Beretania Street

HB 307 HD1: RELATING TO AGRICULTURAL PARK LEASES

My name is Eric S. Tanouye and I am the President for the Hawaii Floriculture and Nursery Association. HFNA is a statewide umbrella organization with approximately 350 members. Our membership is made up with breeders, hybridizers, propagators, growers, shippers, wholesalers, retailers, educators, and the allied industry, which supports our efforts in agriculture.

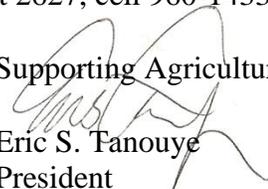
The Hawaii Floriculture and Nursery Association (HFNA) Strongly **SUPPORTS HB 307 HD1**

It is important for Nurserymen and women to have the peace of mind that is associated with an extension of their lease, so that they may continue to farm. We believe the Department of Agriculture has the relevant knowledge to understand which leases for small farms should be extended. This will extend our Family Farms being able to successfully achieve generational succession in the near future.

We ask that you support our industry and agriculture, so that we may continue to bring the beauty of Hawaii to others through flowers and ornamentals.

If you have any questions at this time, I would be happy to discuss them and can be reached by phone at 808-959-3535 ext 2627, cell 960-1433 and email eric@greenpointnursery.com.

Supporting Agriculture and Hawaii,


Eric S. Tanouye
President

Hawaii Floriculture and Nursery Association



February 9, 2023

From: Kurt Fujioka

Re: Written testimony regarding House Bill 307 HD1

Dear Honorable State Representatives,

Panaewa Foliage was started 24 years ago when we bid for the lease of an abandoned nursery on ten acres of the state lease land. We now hold leases on three properties in the Panaewa area and one lease in Pahoia. We started with three employees and have expanded, now employing 26 people.

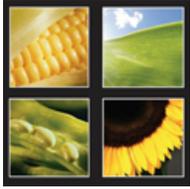
We grow potted ornamental foliage plants which are exported to the mainland where wholesale companies sell them to interioscapers and garden centers for installations in hotels, shopping centers, offices, and homes etc. Aside from the employment of 26 workers, our company stimulates the Hawaii economy by bringing in millions of dollars every year.

The current lease agreement, which has the lease projected for auction upon expiration, is not only extremely unfair to the lease holders who have spent hundreds of thousands of dollars on improvement to the land, but also to the employees who would be left unemployed at the loss of their workspace. I ask you to please support House Bill 307 HD1 so we may continue to provide jobs and money to Hawaii's economy.

Sincerely,

Kurt Fujioka

President
Panaewa Foliage Inc.
859 Awa St.
Hilo, HI 96720
(808) 938-6290



HAWAII CROP IMPROVEMENT ASSOCIATION

In Support of HB307 HD1
Relating to Agricultural Park Leases

House Committee on Consumer Protection & Commerce

Date: Wednesday, February 22, 2023
Time: 2:00 PM
Place: Conference Room 329

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of HB307, HD1** which allows the Department of Agriculture to extend the agricultural park lease of any lessee who holds a lease with a remaining term of 15 years or less, provided that the land covered by the lease is 25 acres or less and located in a county with a population of less than 500,000.

Many agricultural park lessees have the desire to invest capital into infrastructure and operational improvements, but the uncertainty of whether their lease term will be extended as it nears its expiration is a disincentive for them to finance these enhancements. Additionally, much of the uncertainty impacts our most experienced, successful local farmers and those are potential losses our industry cannot afford to incur.

Mahalo for the opportunity to testify in support and we urge you to pass this measure.

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.

HB-307-HD-1

Submitted on: 2/20/2023 5:27:37 PM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Crum	Individual	Support	Written Testimony Only

Comments:

Farming in Hawaii is hard and it takes years to understand what grows well in what location and under what conditions and seasons. One of the issues is access to farmable land, and another big issues is the price of land, but it is also tied to how long a lease is available on that land. It can take years to just start to find minimal success in farming, then years more to turn a profit. That means long leases, and also flexible leases and lease holders are key to success. It also means helping the Department of Agriculture be empowered in their decision making role in those negotiations. Please support this bill to help things be a little easier for the Department, the farmer, and help get more local food on our tables.

HB-307-HD-1

Submitted on: 2/20/2023 12:49:04 PM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John R. Gordines	Individual	Support	Written Testimony Only

Comments:

February 22, 2023

HEARING BEFORE THE

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HB 307, HD1

RELATING TO AGRICULTURAL PARK LEASES

Conference Room 329 & Videoconference

2:00 PM

Aloha Chair Nakashima, Vice-Chair Sayama, and Members of the Committee:

I **support HB 307, HD1**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it

practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.

Respectfully

John Gordines

HB-307-HD-1

Submitted on: 2/21/2023 12:07:38 AM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Shiigi	Individual	Support	Written Testimony Only

Comments:

Thank you for the opportunity to submit testimony in support of HB 307. It will enable present lessees like myself to obtain additional needed financing to invest in making improvements and to continue agricultural productivity with markets we have established. Dept. of Ag. cannot ignore the facts that what is critical to agriculture is the loss of the established farmers. Placing new farmers on lease lands will possibly lead to drastic cuts in production. Many of them may not have the resources or the business acumen to be successful as compared to the established farmer. The established farmers are willing and able to continue supporting agriculture as long as we have the assurances that our leases will be extended. The State should concentrate on those large acres of fallow lands throughout the State and make every effort to turn them into agriculture producing enterprises. They should work to expand not replace farmers. Replacing established farmers will hinder the growth of the industry. Please extend our leases so we can continue to supply Hawaii with agricultural products both locally, nationally and internationally. "Support Made in Hawaii" products! Approve HB 307.

Thank you, David and Sherlette Shiigi

HB-307-HD-1

Submitted on: 2/21/2023 7:07:12 AM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Henry & Loraine Terada	Individual	Support	Written Testimony Only

Comments:

We have been cut anthurium flower farmers in Kurtistown since 1980 and were awarded a lot in the Panaewa Agricultural Park a few years later. We have experienced the difference in both farms with the Panaewa farm being much more productive, having the county water. Sadly the damage from Hurricane Iselle finally closed our Kurtistown farm.

Please support HB307 HD1 so this Panaewa Agricultural Park farm can continue to produce beautiful flowers which are shipped throught the world.

HB-307-HD-1

Submitted on: 2/20/2023 10:26:38 PM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Frederick M. Mencher	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashima, Vice-Chair Sayama, and Members of the Committee:

I **support HB 307, HD1**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The success of farmers is critical to the State's goal to double local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

Faced with the uncertainty of continued tenancy, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you for the opportunity to comment on this measure.

Sincerely,

Frederick M. Mencher

HB-307-HD-1

Submitted on: 2/21/2023 1:09:14 PM

Testimony for CPC on 2/22/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
J Ashman	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill.

Farmers on ag park leases (as well as farmers on any lease) need the certainty of continued tenancy in order for them to do long-term planning and acquire the funding to make major investments in infrastructure improvements and maintenance of their facilities.

DOA should be able to extend certain leases to encourage the ongoing viability of productive farmers to continue their work without being removed when their leases expire.

Thank you.

February 22, 2023

HEARING BEFORE THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HB 307, HD1
RELATING TO AGRICULTURAL PARK LEASES

Conference Room 329 & Videoconference
2:00 PM

Aloha Chair Nakashima, Vice-Chair Sayama, and Members of the Committee:

Support HB307_HD1

My name is Cindy Goldstein and I **support HB 307, HD1**, which allows the department of agriculture to extend the lease of any lessee who holds a lease with a remaining term of fifteen years or less; provided that the land covered by the lease is twenty-five acres or less and located in a county with a population of less than five hundred thousand.

The lack of long term leases continues to be a big obstacle in the ability of farmers across the State of Hawaii to build their businesses and succeed. This legislation is critical to the State's goal of doubling local food production. Hawai'i Department of Agriculture (HDOA) leases are structured to advance agriculture and make it practical for producers to succeed and provide our communities with what they need. HDOA's long-term leases make it possible for farmers and ranchers to prudently invest in operational and infrastructure improvements on the leased land.

The current status of land leases for farmers creates unnecessary uncertainty, lessees have little incentive to make major investments in improvements to their infrastructures and ensure the long-term maintenance of their facilities. As a result, the infrastructure on these small farms could deteriorate

This measure will help to enable small family farm operations on HDOA leased lands to be extended their leases as they near expiration. This would enable many of our small farmers and a new generation of farmers to obtain financing to invest in their operations, by making improvements to their lands and developing plans to improve their agricultural productivity.

Thank you to the House Committee on Consumer Protection and Commerce for the opportunity to comment on this measure.

February 13, 2023

House of Representatives
32nd Legislature
Regular session of 2023

Committee on Water and Land
HB 307 HD1: Relating to Agricultural Park Leases

Aloha, I am Aaron Ueno, President of Kawasaki Nursery, Inc. As a lessee in the Panaewa Agricultural Park I ask for your support for HB 307 HD1.

Kawasaki Nursery is one of the few remaining farms that produces wholesale cut anthuriums. Over the years we have made investments for farm operations. If the lease ends nursery operations would cease and the assets would be lost.

Sincerely,

Aaron Ueno
President Kawasaki Nursery
Cell: 808-959-3380