STAND. COM. REP. NO.

Honolulu, Hawaii , 2023

MAR 02

H.B. No. 307 RE: H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 307, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURAL PARK LEASES,"

begs leave to report as follows:

The purpose of this measure is to authorize 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 as long as 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.

Your Committee received testimony in support of this measure from the Land Use Research Foundation of Hawaii; Maui County Farm Bureau; Local Food Coalition; Ono Nut Farms; Hawai'i Farm Bureau; Hawaii Floriculture and Nursery Association; Panaewa Foliage Inc.; Hawaii Crop Improvement Association; Kawasaki Nursery, Inc.; and eight individuals. Your Committee received comments on this measure from the Department of Agriculture and Office of Hawaiian Affairs.

Your Committee finds that the success of farmers is critical to the State's goal to double local food production. Through the Department of Agriculture leases of public lands, agriculture and agricultural production are advanced, which make it practical for



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

However, your Committee further finds that lessees whose leases are close to expiration and whose continued tenancy is uncertain have little incentive to invest in major improvements to their infrastructure and ensure the long-term maintenance of their facilities. This measure will allow the Department of Agriculture to settle those uncertainties by granting extensions.

Your Committee has heard the concerns that this measure may allow for perpetual leases of agricultural lands, and the continual renewal of leases tied to these lands could effectively put public lands into private ownership and control, thereby binding the lands to uses that do not maximize the benefit to Native Hawaiians. With these concerns in mind, your Committee suggests that the Department of Agriculture consider prioritizing Native Hawaiian applicants for agricultural park leases.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 307, H.D. 1, and recommends that it pass Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

MARK M. NAKASHIMA, Chair



State of Hawaii House of Representatives The Thirty-second Legislature

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 367 HD1	Committee Referral: AGR, WAL, CPC				
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
CPC Members	Ayes	Ayes (WR)	Nays	Excused	
1. NAKASHIMA, Mark M. (C)	/				
2. SAYAMA, Jackson D. (VC)					
3. AMATO, Terez				-	
4. BELATTI, Della Au					
5. HASHEM, Mark J.	/				
6. HUSSEY-BURDICK, Natalia					
7. GATES, Cedric Asuega	-				
8. LOWEN, Nicole E.					
9. ONISHI, Richard H.K.				-	
10. TAM, Adrian K.	-				
11. PIERICK, Elijah	-				
TOTAL (11)	8			3	
The recommendation is: Image: Adopted is a committee acronym(s) Image: Not Adopted is a committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					